

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF RMR OPERATING, LLC
TO ALLOW TWO OPERATORS WITHIN A
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

Case No. 14,774

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

RMR Operating, LLC
Suite 900
2515 McKinney Avenue
Dallas, Texas 75201

Attention: Alan W. Barksdale
(214) 871-0406

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving two operators in the Tansill-Yates-Queen-Seven Rivers formations within an oil spacing unit comprised of the SW/4NW/4 of Section 16, Township 26 South, Range 36 East, N.M.P.M. The unit will be dedicated to applicant's proposed Medicine Man State Well No. 1, to be located 1650 feet from the north line and 990 feet from the west line of Section 16, and the existing Draco Energy, Inc. Maralo 16 State Well No. 2, located 1980 feet from the north line and 550 feet from the west line of Section 16.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Brad Carter
(landman)

20 min.

Approx. 5

OPPONENT

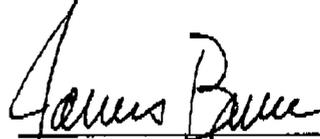
WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for RMR Operating LLC