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

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

**APPLICATION OF LATIGO PETROLEUM, INC.
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 13,464

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT
Latigo Petroleum, Inc.
Suite 700
550 West Texas
Midland, Texas 79701

Attention: William F. Chatham
(432) 684-4293

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
Latigo Petroleum, Inc. seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, NE/4, and E/2NW/4 of Section 19, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, to form a standard 318.89-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Cottonwood Draw-Strawn Gas Pool and Undesignated Cottonwood Draw-Morrow Gas Pool. The unit is to be designated to the Marine "19" Federal Well No. 1, to be located at an orthodox gas well location in the SW/4NW/4 of Section 19. Also to be considered will be the cost of drilling and completing the well and the

allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

<u>OPPONENT</u>

PROPOSED EVIDENCE

<u>APPLICANT</u>

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
William F. Chatham (landman)	15 min.	Approx. 5

<u>OPPONENT</u>

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce
Post Office Box 1056
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(505) 982-2043

Attorney for Latigo Petroleum, Inc.

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