

**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 NORTH STAR OPERATING
COMPANY FOR APPROVAL OF A UNIT
AGREEMENT, LEA COUNTY, NEW MEXICO.**

**APPLICATION OF NORTH STAR OPERATING
COMPANY FOR AN UNORTHODOX WELL
LOCATION, LEA COUNTY, NEW MEXICO.**

2005 SEP 2 PM 11

CASE NO. 13527

CASE NO. 13528

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

NorthStar Operating Company
Attn: Ernest Angelo
410 North Main
Midland, Texas 79701
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ATTORNEY

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STATEMENT OF CASE

APPLICANT

Case No. 13527

Applicant seeks approval of the NorthStar Operating Company East Denton Unit from the surface to the base of the Devonian formation in an area comprising 160 acres of fee lands in the E/2 NE/4 and W/2 NW/4 of Section 8 of Township 15 South, Range 38 East, NMPM which is located approximately 15 miles east of Lovington, New Mexico.

Case No. 13528

Applicant in the above-styled cause seeks approval of an unorthodox well location in the Wolfcamp and Devonian formations, for its Fort Well No. 1 to be drilled at an unorthodox well location 2100 feet from the North line and 2500 feet from the East line of Section 8, Township 15 South, Range 38 East, NMPM. Said well is located approximately 15 miles east of Lovington, New Mexico.

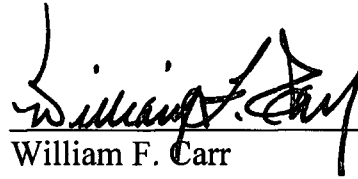
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Robert W. Hodge (Landman)	Approx. 10 Minutes	Approx. 3
James Turbyfill (Geologist)	Approx. 10 Minutes	Approx. 4

PROCEDURAL MATTERS

NorthStar Operating Company requests that case 13527 and 13528 be consolidated for purposes of hearing.



William F. Carr
Attorney for NorthStar Operating
Company