

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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RE: APPLICATION OF APACHE CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION AND COMPULSORY POOLING, LEA COUNTY, N.M.

MAY 23 P 3: 56

Case No. 14986

SUPPLEMENT TO PRE-HEARING STATEMENT

As noted in the pre-hearing statement filed by fax on May 8, 2013, SevenWays Minerals Ltd. (SWM) owns a mineral interest in Section 2, Township 20 South, Range 38 East, Lea County, N.M.

Contrary to the assertions in Apache Corp.'s above-referenced Application, SWM's mineral interest in Lot 4 of Section 2 is leased to Leonard Resources Investment Corp. and that lease is held by production. Thus, SWM is not in a position to lease this interest to Apache. Moreover, Apache knows about this lease as an Apache employee brought it to SWM's attention. Thus, SWM should not have been named in Apache's Application regarding the White Owl Well No. 2 and SWM should be dismissed, with prejudice, from this proceeding.

Based on the circumstances set forth above, SevenWays Minerals Ltd. objects to being included in Apache Corp.'s pending Application for An Unorthodox Well Location and Compulsory Pooling in Lea County, N.M. Apache's assertion (in para. 3 of its Application) that it has "in good faith sought to obtain the voluntary joinder of all other mineral interest owners" is inaccurate and irrelevant as applied to SWM. Apache's claim (in para. 4 of its Application) that "certain interest owners have failed or refused to join in dedicating their interests" to the proposed White Owl Well No. 1 is not true and not applicable to SevenWays Minerals Ltd.

OBJECTION AND REQUEST FOR RELIEF

SevenWays Minerals Ltd. requests that SWM be dismissed from this proceeding.

Alternatively, SWM objects to Apache's requested relief to the extent it would result in charges and/or costs to SWM. Specifically, SWM objects to being force pooled, designated as a working interest owner and/or being subject to a 200% charge or any other charges and costs and requests that it be excluded from any such order.

TIME TO PRESENT CASE: approximately 5 minutes

EXHIBITS: 1-2

WITNESSES: Michelle Hanson, Robin Yeager

PROCEDURAL ISSUES: Ms. Yeager is likely to be in either Maryland or California on the hearing date and would like to attend telephonically.

Respectfully submitted,



Robin Yeager

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Supplement to Pre-Hearing Statement was served upon Apache Corp.'s counsel of record on this 23<sup>rd</sup> day of May 2013 as follows:

**VIA FIRST CLASS MAIL**

James Bruce  
Attorney at Law  
PO Box 1056  
Santa Fe, NM 87504