

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

RECEIVED OGD
2013 SEP 26 A 10:32

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

APPLICATION OF REGENERATION ENERGY
CORP. FOR A NON-STANDARD SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

Case No. 15,043

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Regeneration Energy Corp.
P.O. Box 210
Artesia, New Mexico 88211

Attention: Raye Miller
(575) 736-3535

APPLICANT'S ATTORNEY

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

OPPONENT

Chevron U.S.A. Inc.

OPPONENT'S ATTORNEY

Michael Feldewert
Holland & Hart LLP

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving a non-standard 160-acre oil spacing and proration unit in the Bone Spring formation comprised of the E/2E/2 of Section 17, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's Madera 17 Fed. Well No. 1H, to be drilled horizontally from a surface location 330 feet from the north line and 380 feet from the east line, to a bottom hole location 330 feet from the south line and 380 feet from the east line, of Section 17. 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 risk involved in drilling the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Raye Miller	30 min.	Approx. 10

OPPONENT

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

PROCEDURAL MATTERS

Respectfully submitted,



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

Attorney for Regeneration Energy Corp.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 26th day of September, 2013 by facsimile transmission:

Michael Feldewert
Holland & Hart LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
fax: (505) 982-6043



James Bruce