

RECEIVED OGD  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION 31 P 1:28

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

APPLICATION OF MACK ENERGY  
CORPORATION FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 15,181

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Mack Energy Corporation  
P.O. Box 960  
Artesia, New Mexico 88211

Attention: Staci Sanders  
(575) 748-1288

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

Mack Energy Corporation seeks an order pooling all mineral interests from the surface to the base of the Third Bone Spring zone of the Bone Spring formation underlying the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 3, Township 23 South, Range 27 East, N.M.P.M., to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Lava Fee Well No. 1, to be drilled from a surface location 1150 feet from the south and east lines of Section 3 to an orthodox bottomhole location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 3. 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.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Staci D. Sanders (landman)	15 min.	Approx. 6
Charles Sadler or Matt Brewer (geologist)	15 min.	Approx. 4

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

If the case is unopposed applicant will submit the case by affidavit as permitted by Division regulations..

Respectfully submitted,



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

Attorney for Mack Energy Corporation