

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

2005 SEP 30 PM 10:19

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

CASE NO. 13569

APPLICATION OF GRUY PETROLEUM
MANAGEMENT COMPANY FOR SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Gruy Petroleum Management Co.
Attn: Zeno Farris
600 E. Las Colinas Boulevard, Suite 1200
Irving, Texas 75039
(972) 443-6470

ATTORNEY

William F. Carr, Esq.
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Holland & Hart LLP
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STATEMENT OF CASE

[Handwritten signature and date: 9/30/05]

Applicant in the above-styled cause seeks authorization to simultaneously dedicate the standard 160-acre gas spacing unit in Rhodes formation, Rhodes Yates-Seven Rivers Gas Pool, comprised of the NE/4 of Section 9, Township 26 South, Range 37 East, NMPM, to the following three wells:

- A. Rhodes Federal Unit Well No. 98 located in Unit B at an ~~un~~orthodox well location 660 feet from the North line and 1650 feet from the East line;
- B. Rhodes Federal Unit Well No. 95 (API No. 30-025-24524) located in Unit G at an ~~un~~standard gas well location 1980 feet from the North line and 2180 feet from the East line; and

(Formerly # 14)

- C. Rhodes Federal Unit Well No. 96 (API No. 30-025-24536) located in Unit H at a standard gas well location 1980 feet from the North line and 760 feet from the East line.

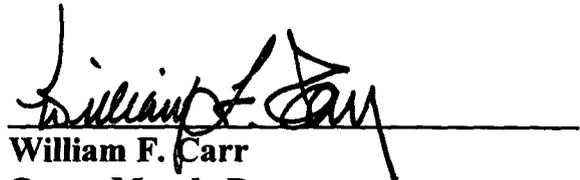
PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Jon Tate (Landman)	Approx. 15 min.	Approx. 4
Kim Nordstog (Geologist)	Approx. 25 min.	Approx. 12

PROCEDURAL MATTERS

Gruy Petroleum Management Company will request that cases 13567, 13568, 13569, 13570, 13571 and 13572 be consolidated for hearing.



William F. Carr
Ocean Munds-Dry
Attorneys for Gruy Petroleum Management
Company