

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

IN THE MATTER OF THE APPLICATION  
OF EOG RESOURCES, INC. FOR  
COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO

CASE NO. 13681

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf  
of David H. Arrington Oil and Gas, Inc., as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT'S ATTORNEY**

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504

**APPLICANT**

EOG Resources, Inc.

**OPPONENT'S ATTORNEY**

J. Scott Hall, Esq.  
Miller Stratvert P.A.  
150 Washington Ave., Suite 300  
Post Office Box 1986  
Santa Fe, New Mexico 87504  
(505) 989-9614

**OPPONENT**

David H. Arrington Oil & Gas, Inc.

**OTHER PARTY'S ATTORNEY**

**OTHER PARTY**

## STATEMENT OF THE CASE

### APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation in the spacing and proration unit/horizontal well Project Area comprised of the E/2 of Section 17, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Collins Ranch-Wolfcamp Gas Pool. This spacing unit/horizontal well Project Area is to be dedicated to the Joliba "17" Fee Well No. 1H to be drilled from a standard gas well surface location 660 feet from the South line and 1815 feet from East line and then horizontally drilled in the Wolfcamp formation in a northerly direction to a projected bottomhole location 660 feet from the North line and 1880 feet from the West line of said Section 15. The well will test all formations from the surface through the Wolfcamp formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles west of Artesia, New Mexico.

### OPPOSITION OR OTHER PARTY

David H. Arrington Oil and Gas, Inc. is an interest owner in the E/2 of said Section 17 also proposing to drill and operate its Wolfcamp formation well. Arrington opposes the Application of EOG Resources.

## PROPOSED EVIDENCE

### APPLICANT

**WITNESSES**

**EST. TIME**

**NO. OF EXHIBITS**

OPPOSITION**WITNESSES****EST. TIME****NO. OF EXHIBITS**

Jamey Lucas, Landman

30 minutes

6

**PROCEDURAL MATTERS**

The parties have agreed to continue the case for two weeks in order to discuss settlement.

MILLER STRATVERT P.A.

By: 

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 J. Scott Hall, Esq.  
 Post Office Box 1986  
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 Attorneys for David H. Arrington Oil  
 and Gas, Inc.

**Certificate of Mailing**

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of record on the 23 day of March, 2006, as follows:

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 J. Scott Hall