

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

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

**CASE NO. 13723**

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

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Mr. Raye Miller  
Marbob Energy Corporation  
Post Office Box 227  
Artesia, New Mexico 88211-0227  
(505) 748-3303

**ATTORNEY**

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
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2006 MAY 30 AM 10 18

**STATEMENT OF CASE**

**APPLICANT**

Applicant in the above-styled cause seeks an order pooling all mineral interests 500 feet below the top of the San Andres formation to the base of the Atoka-Morrow formation in the following described spacing and proration units located in the W/2 of Section 1, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all

formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Angel Ranch Atoka-Morrow Gas Pool,; the SW/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Candy Gram State Com Well No. 1 to be drilled at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1. 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

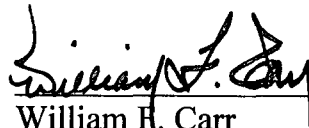
**PROPOSED EVIDENCE**

**APPLICANT**

<b>WITNESSES</b> (Name and Expertise)	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Raye Miller (Practical Oil Man)	Approx. 20 Minutes	Approx. 6

**PROCEDURAL MATTERS**

Marbob Energy Corporation has none at this time.

  
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William R. Carr  
Attorney for Marbob Energy Corporation