

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
2006 JUL 10 PER 150 OIL CONSERVATION DIVISION

IN THE MATTER OF THE  
APPLICATION OF LCX ENERGY, LLC  
FOR COMPULSORY POOLING  
EDDY COUNTY, NEW MEXICO

CASE NO. 13757

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of LCX Energy, LLC, as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT'S ATTORNEY**

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**APPLICANT**

LCX Energy, LLC

**OPPONENT'S ATTORNEY**

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
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**OPPONENT**

Yates Petroleum Corporation  
Yates Drilling Company  
Myco Industries, Inc.  
ABO Petroleum Corporation

**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 underlying the S/2 of Section 21, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation. Said units are to be dedicated to Applicant's proposed 1625 Fed Com Well No. 211 drilled from a surface location 960' from the South line and 660' from the East line to a bottom hole location 960' from the South line and 660' from the West line of said Section 21. 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 LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in drilling said well.

### OPPOSITION OR OTHER PARTY

## PROPOSED EVIDENCE

### APPLICANT

| WITNESSES                          | EST. TIME  | NO. OF EXHIBITS |
|------------------------------------|------------|-----------------|
| Larry Gillette, Petroleum Engineer | 20 Minutes | 7               |

### OPPOSITION

| WITNESSES | EST. TIME | NO. OF EXHIBITS |
|-----------|-----------|-----------------|
|-----------|-----------|-----------------|

**PROCEDURAL MATTERS**

MILLER STRATVERT P.A.

By: 7.1 on-call  
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**Certificate of Mailing**

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of record on the 9 day of August, 2006, as follows:

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