

**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. 13765

**APPLICATION OF READ & STEVENS, INC. FOR
CANCELLATION OF ONE DRILLING PERMIT AND
APPROVAL OF A SECOND DRILLING PERMIT,
CHAVES COUNTY, NEW MEXICO.**

2006 AUG 24 PM 2:46

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Read & Stevens, Inc.
Attention: John Maxey
400 N. Pennsylvania, Suite 1000
Roswell, New Mexico 88201
(505) 622-3770

OPPONENT

Samson Resources Company
Attention: Rita Bures
Two West Second Street
Tulsa, OK 74103-3103
(918) 591-1791

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504-1056
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OPPONENT'S ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant seeks an order canceling a drilling permit issued to Samson Resources Company covering the E/2 of Section 22, Township 11 South, Range 31 East, NMPM, and requiring the Division's Artesia District Office to approve applicant's drilling permit covering the N/2 of said Section 22, to form a standard 320-acre gas spacing and proration unit in the Atoka, Morrow, and Mississippian formation.

OPPOSITION

Samson Resources opposes this application.

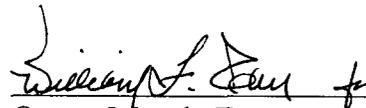
PROPOSED EVIDENCE

OPPONENT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Rita Buress (Landman)	Approx. 30 Minutes	Approx. 8

PROCEDURAL MATTERS

Samson Resources Company has none at this time.



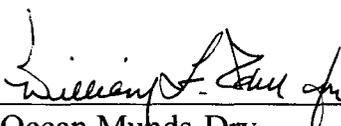
Ocean Munds-Dry
Attorney for Samson Resources Company

CERTIFICATE OF SERVICE

I certify that on August 24, 2006 I served a copy of the foregoing document to the following by

- U.S. Mail, postage prepaid
- Hand Delivery
- Fax
- Electronic Service by LexisNexis File & Serve

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