

**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. 13070

**APPLICATION OF MACK ENERGY CORP. FOR
COMPULSORY POOLING OF FOUR 40-ACRE
SPACING AND PRORATION UNITS, LEA
COUNTY, NEW MEXICO.**

RECEIVED

MAY 20 2003

Oil Conservation Division

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

**Mack Energy Corp.
Attn: Ron Lanning
Post Office Box 960
Artesia, NM 88211
(505) 748-1288**

ATTORNEY

**William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421**

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the surface to a depth of 5000 feet in the following described spacing and proration units located in the SW/4 of Section 31, Township 17 South, Range 32 East, N.M.P.M., Lea County, New Mexico for its Panther Federal Well Nos. 1, 3, 5, and 6:

NW/4 SW/4: Panther Federal Well No. 1,
(Lot 3) 1650 feet from the South line and 330 feet from
the West line (Unit L),

NE/4 SW/4: Panther Federal Well No. 3
1650 feet from the South and West lines (Unit K),

SW/4 SW/4: Panther Federal Well No. 5
(Lot 4) 990 feet from the South and West lines (Unit M),
and

SE/4 SW/4: Panther Federal Well No. 6
990 feet from the South line and 2310 feet from
the West line (Unit N).

Applicant proposes to drill each well to test any and all formations from the surface to a depth of 5000 feet that are developed on 40-acre spacing under each quarter-quarter section which includes but is not necessarily limited to the Undesignated Yates-Maljamar Pool, Undesignated Pearsall-Seven Rivers Pool, Undesignated Pearsall Queen Pool, and the Maljamar Grayburg-San Andres Pool. 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 Mack Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 5 miles Southwest of Maljamar, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Ron Lanning
(Landman)

Approx. 20 min.

Approx. 7

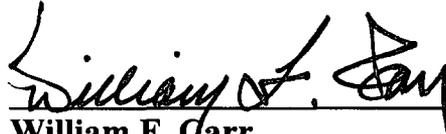
Matt Brewer
(Geologist)

Approx. 15 min.

Approx. 3

PROCEDURAL MATTERS

Mack Energy Corp. has none at this time.



William F. Carr
Attorney for Mack Energy Corp.