

**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:**

2005 FEB 11
CASE NO. 13395
FEB 11 53

**APPLICATION OF CHISOS, LTD., FOR POOL
CREATION AND CLASSIFICATION OF THIS
POOL AS A RETROGRADE CONDENSATE GAS
POOL, 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

Chisos, Ltd.
Attn: Bill Pierce
Pierce Production Co.
Post Office Box 2079
Midland, TX 79702-2079
(432) 570-6009

ATTORNEY

William F. Carr, Esq.
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Santa Fe, New Mexico 87504
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STATEMENT OF CASE

APPLICANT

Applicant seeks an order (i) creating a new pool for the production of natural gas from the Strawn formation to be comprised of the W/2 of Section 12, Township 19 South, Range 30

East, NMPM, Eddy County, New Mexico, (ii) classifying this new Strawn Pool as a retrograde condensate reservoir, and (iii) dedicating the W/2 of said Section 6 to the Chiso, Ltd. Wishbone Federal Com Well No. 1 (API NO. 30-015-30640) at an unorthodox deep gas well location 2000 feet from the South line and 680 feet from the West line of said Section 6. This location was approved by Division Administrative Order NSL-4521-A. Said well is located approximately 20 miles southeast of Artesia, New Mexico.

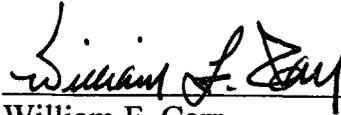
PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and Expertise) | ESTIMATED TIME | EXHIBITS |
|---|--------------------|-----------|
| Bill Pierce (Petroleum Engineer) | Approx. 15 Minutes | Approx. 5 |
| Louis Moseley (Environmental Engineer) | Approx. 15 Minutes | Approx. 3 |

PROCEDURAL MATTERS

Chisos, Ltd., has none at this time.



William F. Carr
Attorney for Chisos, Ltd.