

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

2006 SEP 7 PM 2 40

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

**APPLICATION OF HAYES LAND &  
PRODUCTION, LP TO APPROVE A  
NON-STANDARD 80-ACRE OIL SPACING  
AND PRORATION UNIT OR AN 80-ACRE  
PROJECT AREA, OR IN THE ALTERNATIVE  
TO RESCIND DIVISION ORDER NO. R-12459,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 13778**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Hayes Land & Production, LP  
P.O. Box 8364  
Santa Fe, New Mexico 87504

Attention: William Bennett  
(505) 983-0740

**APPLICANT'S ATTORNEY**

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

**OPPONENT**

**OPPONENT'S ATTORNEY**

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant requests an order establishing an 80-acre non-standard oil spacing and proration unit as an exception to Division Rule 104(B), or an 80-acre project area under Division Rule 111, in the Delaware and Bone Spring formations, comprised of the SW $\frac{1}{4}$ NW $\frac{1}{4}$  and NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 11, Township 22 South, Range 26 East, N.M.P.M., to be dedicated to the Mesa Grande "11" Well No. 2, located at an unorthodox location 2661 feet from the south line and 660 feet

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from the west line (Unit L) of Section 11. In the alternative, applicant requests that Division Order No. R-12459, granting said unorthodox location, be rescinded and the well shut-in.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

William H. Bennett

EST. TIME

15 minutes

EXHIBITS

Approx. 4

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

**PROCEDURAL MATTERS**

-None-

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Bruce", is written over a horizontal line.

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Hayes Land & Production, LP