

**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:**

**APPLICATION OF PRIDE ENERGY COMPANY
TO REINSTATE ORDER NO. R-12,712 FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 13,824 (reopened)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Pride Energy Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Pride Energy Company
P.O. Box 701950
Tulsa, Oklahoma 74170

Attention: Matthew Pride
(918) 524-9200

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 seeks an order pooling all mineral interests from the surface to the base of the North Bagley-Permo Pennsylvanian Pool underlying the following described acreage in Section 9, Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The S/2NE/4 to form a standard 80 acre oil spacing and proration unit for all formations developed on 80 acre spacing within that vertical extent, including the North Bagley-Permo Pennsylvanian Pool; and the SW/4NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Bagley Well No. 2, to be drilled at an approved unorthodox oil well location 1905 feet from the north line and 2130 feet from the east line of Section 9. Also to be considered will be the cost of

WJD 9/10/07

drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBIT

Pursuant to Division Rule 1207.A(1), this application will be submitted by affidavit.

OPPONENT

WITNESSES

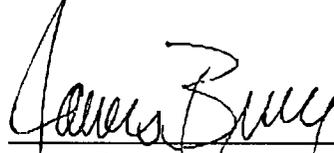
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

This case was presented at the September 6th hearing, but the case was re-advertised due to an error in the ad.

Respectfully submitted,



James Bruce
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Attorney for Pride Energy Company