

**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. 14050

**APPLICATION OF DAN A. HUGHES COMPANY, L.P. FOR APPROVAL OF
APPLICATION FOR PERMIT TO DRILL, HIDALGO COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Dan A. Hughes Company, L.P.
208 E. Houghton St.
P.O. Drawer 669
Beeville, Texas 78104-0669
(361) 358-3752

ATTORNEY

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

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STATEMENT OF CASE

Applicant seeks approval of its Application for Permit to Drill an initial test well in Section 26, Township 32 South, Range 17 West, N.M.P.M., Hidalgo County, New Mexico. Said well will be drilled as a wildcat well from a standard location 660 feet from the South line and 660 feet from the West line in the SW/4 SW/4 (Unit M) of Section 26. Said well is located North of the United States-Mexico border approximately 40 miles South of Hachita, New Mexico.

PROPOSED EVIDENCE

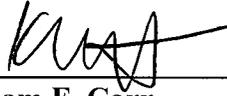
APPLICANT

WITNESSES	EST. TIME	EXHIBITS
X Gary Kornegay, Geologist	30 Minutes	10
X Jeff Ilsing, Engineer	30 Minutes	10
X Hank Kremers, Land	15 Minutes	10
Robert Holder, Land	15 Minutes	10

only ,

PROCEDURAL MATTERS

Dan A Hughes Company, L.P. expects that its Application for Permit to Drill will be approved before this matter goes to hearing. In that case, this matter will be dismissed.



William F. Carr
Kristina Martinez
ATTORNEYS FOR DAN A HUGHES COMPANY, L.P..