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 PURPOSES **OF CONSIDERING:**

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 14334

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the rules of the Oil Conservation Division. Fre Formy

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

EOG Resources, Inc. c/o Doug Hurlbutt P. O. Box 2267 Midland, Texas 79702

William F. Carr Holland & Hart LLP 110 N. Guadalupe St. Suite 1 Santa Fe, NM 87501 (505) 988-4421 (505) 983-6043 (Fax)

STATEMENT OF CASE

APPLICANT (14334)

Applicant in seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation in the following described project area located in the N/2 NE/4 of Section 18 and the N/2 NW/4 of Section 17, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico to form a 160-acre project area in the Bone Spring formation. Said unit is to be dedicated to its Sand Tank 18 Federal Com No. 2H to be drilled from a surface location 430 from the North line and 2260 feet from the East line of said Section 18 and a bottom hole location 430 feet from the North line and 2310 feet from the West line of Section 17. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

Doug Hurlbut, Petroleum

To a large

Approx. 15 minutes

Approx. 6

Landman

PROCEDURAL MATTERS

EOG will request that this case be consolidated for hearing with its application in Case No. 14358.

William F. Carr

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 EOG RESOURCES INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 14334

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

EOG Resources Inc. Attn: Doug Hurlbut 4000 N. Big Spring, Suite 500 Midland, TX 79705 (432) 686-3642

ATTORNEY

Ocean Munds-Dry, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

STATEMENT OF CASE

APPLICANT

To: Beatrice Anderson and Juliette Condon or their successors, heirs or devises. Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation in the following described project area located in the N/2 NE/4 of Section 18 and the N/2 NW/4 of Section 17, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico to form a 160acre project area in the Bone Spring formation. Said unit is to be dedicated to its Sand Tank 18 Fed Com No. 2H to be drilled from a surface location 430 feet from the Northline and 2260 feet from the East line of said Section 18 and a bottomhole location 430 feet from the North line and 2310 feet from the West line of said Section 17. 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

Pre-Hearing Statement NMOCD Case No. 14334 Page 2

supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 4.5 miles southof Loco Hills, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

By affidavit

PROCEDURAL MATTERS

EOG RESOURCES INC., has none at this time.

OCEAN MUNDS-DRY

ATTORNEY FOR EOG RESOURCES INC.