p.2

19 1

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 PURVIS OPERATING CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Cont. 8-20-01

Case No. 14,343

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT Purvis Operating Co. P.O. Box 51990 Midland, Texas 79710 APPLICANT'S ATTORNEY James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attention: Briggs Donaldson land@purvisop.com

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Pennsylvanian and Devonian formations underlying the E/2NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Pennsylvanian Pool and Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at a location 554 feet from the north and east lines (the NE/4NE/4) of Section 34. Also to be considered will be the cost of re-entering 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 re-entering and completing the well.



PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Briggs Donaldson (landman) 25 min.

Approx. 8

In the absence of objection this case may be presented by affidavit.

OPPONENT

WITNESSES

<u>EST. TIME</u>

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,

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

Attorney for Purvis Operating Co.