

**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 MCELVAIN OIL & GAS PROPERTIES, INC. FOR
COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 14585

PRE- HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

McElvain Oil & Gas Properties, Inc.
1050 17th St. Suite 1800
Denver, CO 80265
(303) 893- 0933

ATTORNEY

Ocean Munds-Dry
Holland & Hart LLP
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Santa Fe, New Mexico 87504
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Fruitland Coal formation underlying the N/2 of Section 32, Township 31 North, Range 13 West, N.M.P.M., San Juan County, New Mexico, for all formations and/or pools developed on 320-acre spacing within this vertical extent including but not limited to the Basin Fruitland Coal Gas Pool. This unit is to be dedicated to the Pepper Well No. 1S, to be completed at a location in the SW/4 NW/4 of said Section 32 to test the Fruitland Coal formation. 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 applicant as operator of the well and the imposition of a 200% risk charge against the

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working interest of any party that elects not to participate in this project. Said area is located approximately 10 miles north of Farmington, New Mexico.

PROPOSED EVIDENCE

WITNESSES

ESTIMATED TIME

EXHIBITS

By Affidavit.

PROCEDURAL MATTERS

McElvain has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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