STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DE ARMETEL VET **OIL CONSERVATION DIVISION**

FEB 16 2004

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF **CONSIDERING:**

Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

APPLICATION OF ELK OIL COMPANY FOR APPROVAL OF A UNIT AGREEMENT, CHAVES COUNTY, NEW MEXICO.

CASE NO. 13219

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Mr. Joseph Kelly, President Elk Oil Company Post Office Box 310 Roswell, New Mexico 88202 (505) 623-3190

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

STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Z-28 State Exploratory Unit for an area comprising 2240.00 acres of State of New Mexico lands in Sections 11, 12, 13 and 24, Township 10 South, Range 26 East, NMPM which is located approximately 25 miles northeast of Roswell, New Mexico.

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PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

(Name and Expertise)

BY AFFIDAVIT

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PROCEDURAL MATTERS

Elk Oil Company has none at this time.

Villiam F. Car

Attorney for Elk Oil Company