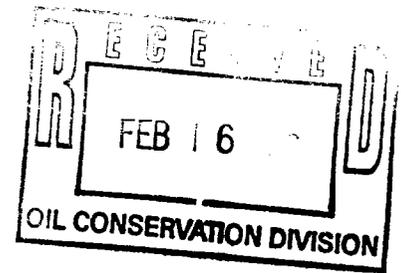


**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**



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

APPLICATION OF GECKO
FOR COMPULSORY POOLING,
WILKS "28" WELL NO. 1
LEA COUNTY, NEW MEXICO.

CASE NO. 11471

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BASS ENTERPRISES
PRODUCTION CO., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

GECKO
310 W. Wall
Ste. 702-LB106
Midland, Texas 79701
Attn: Steve Thomson
(915 686 0121)

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

STATEMENT OF CASE

GECKO has a working interest ownership in the oil and gas minerals underlying the NE/4 of Section 28, T15S, R37E, NMPM, Lea County, New Mexico.

GECKO proposes to drill, at a standard location, its Wilks "28" Well No. 1 in the SE/4NE/4 of Section 28.

Despite its good faith efforts, GECKO was unable to obtain a written voluntary agreement from all the interest owners, therefore, GECKO requests an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

GECKO requests that after notice and hearing as required by law, the Division enter its order pooling the mineral interests described in this spacing unit(s) for the subject well at a standard well location upon terms and conditions which include:

- (1) GECKO be named operator;
- (2) The order make provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (3) In the event a working interest owner fails to elect to participate, the provision be made to recover out of production, the costs if the drilling, completing, equipping and operation the well, including a risk factor penalty of 200%;
- (4) A provision for overhead rates and a method for adjusting those rates in accordance with COPAS accounting procedures;
- (5) For such other and further relief as may be proper.

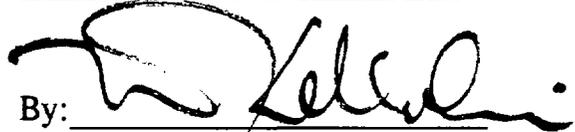
PROPOSED EVIDENCE

APPLICANT: WITNESSES EST. TIME EXHIBITS

Steve Thomson 30 Min. @ 6 exhibits
Petroleum Engineer

PROCEDURAL MATTERS

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin
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