

**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

CASE NO. 12538

IN THE MATTER OF THE APPLICATION OF
RICKS EXPLORATION INC. FOR POOL CREATION
AND SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Ernest L. Padilla, Padilla Law Firm P.A. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Ricks Exploration, Inc.

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

OPPOSITION OR OTHER PARTY

ATTORNEY

- 1) Mike Field
- 2) First National Bank, Brownfield, Texas
Successor Trustee for the Anita Field
Irrevocable Trust
- 3) Circle 7 Ranch Mineral Partnership
- 4) Dan Field

ERNEST L. PADILLA
PADILLA LAW FIRM
Post Office Box 2523
Santa Fe, New Mexico 87504
(505) 988-7577

STATEMENT OF CASE

APPLICATION

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Application for Special Pool Rules with 160 acres spacing.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

The opposing parties have not been apprised of the necessity for spacing other than is required under the Division's statewide rules. There appears no necessity, on the basis of only one well having been drilled to a new common source of supply and no production experience, for 160-acre spacing. The opposing parties believe that the application has been brought before the Division to thwart a continuous drilling obligation provision contained in the oil and gas leases by and between opposing parties and the applicant.

PROPESED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

Unknown to opposing parties.

OPPOSITION

WITNESSES

EST. TIME

EXHIBITS

The opposing parties will not present any witnesses or offer exhibits, but will cross examine the applicant's witnesses.

PROCEDURAL MATTERS

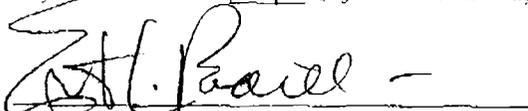
(Please identify any procedural matters which need to be resolved prior to hearing)

None


Ernest L. Padilla

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was sent via facsimile to James Bruce, Esq., at (505) 982-2141 this 15th day of November, 2000.


Ernest L. Padilla