

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. 12702

01 JUL 25 PM 3:26
2014

APPLICATION OF EXCO RESOURCES, INC.
FOR COMPULSORY POOLING,
CHAVEZ COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Exco Resources, Inc.
1775 Sherman Street, Suite 2650
Denver, CO 80203
(303) 830-1490

ATTORNEY

Michael H. Feldewert, Esq.
Holland & Hart LLP and Campbell & Carr
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STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the following described acreage in Section 20, Township 5 South, Range 25 East, in the following manner: the SW/4 to form a standard 160-acre spacing unit for all formations and/or pools developed on 160-acre spacing within that vertical extent which presently includes but is not necessarily limited to the Pecos Slope-ABO Gas Pool, SW/4 SW/4 to form a standard 40 acre spacing and proration unit for any and all formations and or pools developed on 40 acre spacing within that vertical extent. Said unit is to be dedicated to Applicant's proposed Rose Federal Well No. 16 to be located at a standard location in Unit M of this section. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a charge for risk involved in drilling and completing this well. This unit is located approximately 48 miles north and east of Roswell, New Mexico.

PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|------------|-----------------|
| Gayle Baker (Land) | 10 Minutes | Approximately 4 |
| John Meyers (Geologist) | 10 Minutes | Approximately 4 |

PROCEDURAL MATTERS

Exco Resources, Inc. will move to consolidate Case Nos. 12700, 12701 and 12702.



Michael H. Feldewert
Attorney for Exco Resources, Inc.