

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 OCEAN ENERGY,
INC. FOR POOL CREATION AND
SPECIAL POOL RULES THEREFOR,
EDDY COUNTY, NEW MEXICO.

Case No. 12916

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Ocean Energy, Inc. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Ocean Energy, Inc.
Suite 1600
1001 Fannin
Houston, Texas 77002
Attention: Derold Maney
(713) 265-6897

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant has discovered a new source of supply in the lower Bone Spring formation, and seeks creation of the Magruder-Lower Bone Spring Pool. The pool will initially cover the NW¼ of Section 10, Township 21 South, Range 27 East, NMPM. Applicant also seeks the promulgation of Special Rules and Regulations for the pool, including 160-acre spacing and a gas:oil ratio of 4000 cubic feet of gas for each barrel of oil produced.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES
Derold Maney
(landman)

EST. TIME
10 min.

EXHIBITS
(a) land plat
(b) offset operator
list
(c) l i s t o f
interest owners
in well
(d) notice affidavit

Ray Payne
(engineer)

20 min.

(e) isopachs (two)
(f) production data
(g) cross-section

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
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Attorney for Ocean Energy, Inc.