

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 EDGE PETROLEUM
EXPLORATION COMPANY FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

Case No. 13,240

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Edge Petroleum Exploration Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Edge Petroleum Exploration Company
Suite 2000
1301 Travis
Houston, Texas 77002

Attention: Jeff Sikora
(713) 427-8843

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 seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 28, Township 16 South, Range 34 East, NMPM, and in the following manner: The NW $\frac{1}{4}$ to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the South Kemnitz Atoka-Morrow Gas Pool; and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Kemnitz-Lower Wolfcamp Pool, Undesignated Kemnitz-Cisco Pool, and Undesignated Kemnitz-Strawn Pool. The units are to be dedicated to the proposed Kemnitz "28" State Well No. 1, to be drilled at an orthodox location in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ (Unit G) of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for

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supervision, designation of Edge Petroleum Operating Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES
Jeff Sikora
(landman)

EST. TIME
15 min.

EXHIBITS
Approx. 5

OPPONENT

WITNESSES

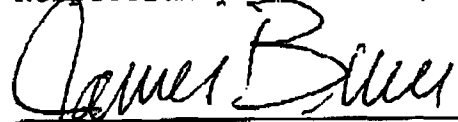
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Edge Petroleum
Exploration Company