

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

IN THE MATTER OF THE APPLICATION OF PRESTON
EXPLORATION, L.L.C. FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO

RECEIVED
CASE NO. 3236

APR 22 2004

PRE-HEARING STATEMENT

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505
(J. Scott Hall)

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall)
on behalf of Preston Exploration, L.L.C. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

J. Scott Hall, Esq.
Miller Stratvert P.A.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614

APPLICANT

Preston Exploration, L.L.C.

RESPONDENTS' ATTORNEY

William F. Carr, Esq.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 9884421

RESPONDENTS

Chase Oil Corporation
and Chase Farms

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

Murchison Oil Company

STATEMENT OF CASE

Applicant seeks an order pooling all mineral interests in the Strawn formation,
(Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East

Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools.

PROPOSED EVIDENCE

APPLICANT

WITNESSES:	Est. Time	No. of Exhibits
Jessie Blue	10 Minutes	2
Mark Wheeler	20 Minutes	6
Opposition or Other Parties:		

PROCEDURAL MATTERS

None.

Respectfully submitted,

MILLER STRATVERT P.A.

By: J. Scott Hall
J. Scott Hall
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614
Attorneys for Preston Exploration, L.L.C.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following as indicated below on this 22 day of April, 2004:

William F. Carr, Esq.
Post Office Box 2208
Santa Fe, New Mexico 87504

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504



J. Scott Hall