

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 NADEL AND GUSSMAN PERMIAN,
L.L.C. FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

Case No. 13043

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by
the Oil Conservation Division.

APPEARANCES

APPLICANT

Nadel and Gussman Permian, L.L.C.
Suite 508
601 North Marienfeld
Midland, Texas 79701
Attention: Sam H. Jolliffe IV
(915) 682-4429

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 to pooling all mineral interests from the surface to the base of the Morrow formation underlying the E½ of Section 28, Township 21 South, Range 27 East, NMPM, 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 Undesignated La Huerfina-Strawn Gas Pool and the Burton Flat-Morrow Gas Pool. The unit is to be dedicated to applicant's Domino Fed. Well No. 1, to be drilled at an orthodox gas well location in the NE¼ 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 supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE**APPLICANT**

| <u>WITNESSES</u> | <u>EST. TIME</u> | <u>EXHIBITS</u> |
|----------------------------|------------------|-----------------|
| Sam Jolliffe (landman) | 15 min. | Approx. 4 |
| Keith Lohan (geologist) | 10 min. | Approx. 4 |

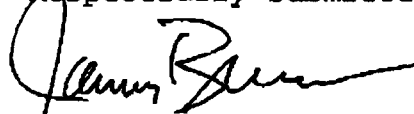
OPPONENT

| <u>WITNESSES</u> | <u>EST. TIME</u> | <u>EXHIBITS</u> |
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Nadel and Gussman
Permian, L.L.C.