

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

IN THE MATTER OF THE HEARINGS CALLED
BY THE OIL CONSERVATION DIVISION
FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF OCEAN ENERGY, INC.
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.



No. 13036

APPLICATION OF DAVID H. ARRINGTON
OIL & GAS, INC. FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

No. 13039

PRE-HEARING STATEMENT

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

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

David H. Arrington Oil & Gas, Inc.

OPPONENT'S ATTORNEY

William F. Carr

STATEMENT OF THE CASE


APPLICANT

Ocean Energy, Inc. seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the E $\frac{1}{2}$ of Section 8, Township 17 South, Range 35 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. The unit is to be dedicated to the Dirt Devil State Com. "8" Well No. 1, to be located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8. 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, and designation of Ocean as operator of the well.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record via facsimile transmission and U.S. Mail this 21st day of March, 2003:

William F. Carr
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
Fax No. (505) 983-6043



James Bruce

OPPONENT

See the Pre-Hearing Statement filed by David H. Arrington Oil & Gas, Inc.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Derold Maney (landman)	15 min.	four
Frank Messa (geologist)	15 min.	four
Ray Payne (engineer)	215 Min.	four

OPPONENT

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

The two cases should be consolidated for hearing.

Respectfully submitted,



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

Attorney for Ocean Energy, Inc.