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

2007 AUG 13 PM 2:38

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

CASE NO. 13324

APPLICATION OF EOG RESOURCES, INC. FOR  
COMPULSORY POOLING AND DIRECTIONAL  
DRILLING, EDDY COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by  
the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

EOG Resources, Inc.  
Attn: Patrick Tower  
P.O. Box 2267  
Midland, Texas 79702  
(432) 686-3776

**ATTORNEY**

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988.4421

**OPPOSITION**

SDX Resources  
511 W. Ohio Avenue  
Suite 601  
Midland, Texas 79701  
(432) 685-1761

**ATTORNEY**

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
117 North Guadalupe  
Post Office Box 2265  
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**STATEMENT OF CASE**

**APPLICANT**

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the N/2 of Section 32, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Winchester-Morrow Gas Pool, the Undesignated Winchester-Atoka Gas Pool, and the Undesignated Burton Flat-Strawn Gas; and the NW/4 for all formations and/or pools developed on 160-acre spacing. Said units are to be dedicated to its State "32" Com Well No. 2 to be directionally drilled from a surface location 2404 feet from the North line and 1083 feet from the West line to a standard bottomhole gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 32, to a depth sufficient to test any and all formations in the pooled interval to the base of the Morrow formation. The well will be at a standard location in all formations. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles northeast of Carlsbad, New Mexico.

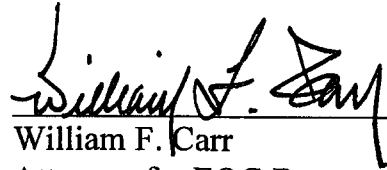
**PROPOSED EVIDENCE**

**APPLICANT**

<b>WITNESSES</b> <b>(Name and Expertise)</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Patrick Tower (Land)	Approx. 15 Minutes	Approx. 6

**PROCEDURAL MATTERS**

EOG Resources, Inc., has none at this time.


  
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William F. Carr  
Attorney for EOG Resources, Inc.

**CERTIFICATE OF SERVICE**

I certify that on August 13, 2004 I served a copy of the foregoing document to the following by

- ☐ U.S. Mail, postage prepaid
- ☐ Hand Delivery
- ☒ Fax
- ☐ Electronic Service by LexisNexis File & Serve

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