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 ROVER OPERATING, LLC FOR STATUTORY UNITIZATION, EDDY COUNTY, NEW MEXICO.

Case No. 16354

APPLICATION OF ROVER OPERATING, LLC FOR APPROVAL OF A SECONDARY RECOVERY PROJECT, EDDY COUNTY, NEW MEXICO.

Case No. 16355

PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u>'S ATTORNEY

Rover Operating, LLC
Suite 300

James Bruce
P.O. Box 1056

17304 Preston Road Santa Fe, New Mexico 87504

Dallas, Texas 75252 (505) 982-2043

Attention: Amanda Barringer

<u>OPPONENT</u>'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 16354: Applicant seeks an order statutorily unitizing all mineral interests in the Unitized Formation (the top of the Loco Hills Sand to the base of the Lovington Sand) in the proposed RP State Unit underlying 639.60 acres of state lands covering all of Section 2 of Township 17 South, Range 31 East, N.M.P.M. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 et seq., will be:

The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; and such other matters as may be necessary and appropriate.

Case No. 16355: Applicant seeks approval to institute a secondary recovery project in the RP State Unit Area by the injection of water into the Unitized Formation (the top of the Loco Hills Sand to the base of the Lovington Sand) in wells located on 639.60 acres of state lands covering all or parts of Section 2, Township 17 South, Range 31 East, N.M.P.M.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	EXHIBITS
	Amanda Barringer (landman)	20 min.	Approx. 5
	Brady Wilton (engineer)	20 min.	Approx. 5
<u>OPPONENT</u>			
	WITNESSES	EST. TIME	EXHIBITS

PROCEDURAL MATTERS

Applicant requests that these matters be consolidated for hearing.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

EXHIBITS

(505) 982-2043

jamesbruc@aol.com

Attorney for Rover Operating, LLC