

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

**APPLICATION OF APACHE
CORPORATION FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO**

CASE NO. 21083

PRE-HEARING STATEMENT

Apache Corporation ("Apache" or "Applicant") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Apache Corporation

ATTORNEY

Earl E. DeBrine, Jr.
Lance D. Hough
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800
edebrine@modrall.com
ldh@modrall.com

OPPONENT

None Anticipated

ATTORNEY

STATEMENT OF CASE

Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 E/2 of Sections 11 and 14, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

This spacing unit will be dedicated to the **Dustbowl 11-14 Fed Com #204H** well, to be horizontally drilled. The completed interval for this well will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 33 miles west of Hobbs, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

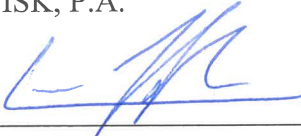
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Nick Laris – Landman (Affidavit)	Approx. 1 Minute	Approx. 6
David Lewis – Geologist (Affidavit)	Approx. 1 Minute	Approx. 5

PROCEDURAL ISSUES

Apache is not aware of an entry of appearance or request for continuance from any party in this matter. Accordingly, Apache does not anticipate any opposition to these cases and intends to present its case by affidavit and consolidated with Case Nos. 21080, 21081, and 21082.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
ldh@modrall.com
Attorney for Applicant

W3698887.DOCX