

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

2011 AUG 10 A 9:31

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

APPLICATION OF EOG RESOURCES, INC.
FOR APPROVAL OF A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 14,722

APPLICATION OF EOG RESOURCES, INC.
FOR APPROVAL OF A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 14,724

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by EOG Resources, Inc. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

EOG Resources, Inc.
P.O. Box 2267
Midland, Texas 79702

Attention: Douglas Hurlbut
(432) 686-3610

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

a 2/25/11

Case No. 14722: Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2N/2 of Section 23, Township 19 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2N/2 of Section 23 to form a non-standard 160 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Parkway 23 State Com. Well No. 2, a horizontal well to be drilled at an orthodox surface location in the NW/4NW/4, with a terminus at an orthodox location in the NE/4NE/4, of Section 23. Also to be considered will be the designation of applicant as operator of the well.

Case No. 14724: . Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2N/2 of Section 23, Township 19 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2N/2 of Section 23 to form a non-standard 160 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Parkway 23 State Com. Well No. 3, a horizontal well to be drilled at an orthodox surface location in the SW/4NW/4, with a terminus at an orthodox location in the SE/4NE/4, of Section 23. Also to be considered will be the designation of applicant as operator of the well.

These cases were filed to force pool a record title owner for purposes of obtaining approval from the Commissioner of Public Lands of two communitization agreements.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Douglas Hurlbut (landman)	15 min.	Approx. 6
_____ (geologist)	15 min.	Approx. 5

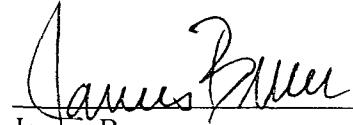
OPPONENT

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

Applicant requests that these cases be consolidated for hearing.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

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

Attorney for EOG Resources, Inc.