



March 4, 2005

BY HAND DELIVERY

Oil Conservation Commission
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Attention: Florene Davidson

Re: New Mexico Oil Conservation Division Case 13348 (DE NOVO):
Application of Marbob Energy Corporation for compulsory pooling, Eddy
County, New Mexico.

Dear Ms. Davidson;

Enclosed for filing are the Pre-Hearing Statement and exhibits that Marbob Energy Corporation will present at the March 8, 2005 Oil Conservation Commission hearing in the above-referenced case.

By copy of this letter, I have provided copies of these exhibits to Commissioners Mark E. Fesmire, P. E., Jamie Bailey, and Frank Chaves and to David K. Brooks, Esq., Attorney for the Oil Conservation Commission, James Bruce, Esq., attorney for Mary T. Ard, *et al.*

Very truly yours,

William F. Carr
Attorney for Marbob Energy Corporation

Enc.

Mark E. Fesmire, P. E., Chairman
Oil Conservation Commission
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

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HOLLAND & HART^{LLP}



Jami C. Bailey, Commissioner
Oil Conservation Commission
New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

Frank Chaves, Commissioner
2104 East 17th Street
Farmington, New Mexico 87401

David K. Brooks, Esq.
Assistant Attorney General
Oil Conservation Commission
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

James Bruce, Esq.
Attorney at Law
369 Montezuma, No. 213
Santa Fe, New Mexico 87501

**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:**

**CASE NO. 13348
DE NOVO**

**APPLICATION OF MARBOB ENERGY CORPORATION FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Mr. Raye Miller
Marbob Energy Corporation
Post Office Box 227
Artesia, New Mexico 88211-0227
(505) 748-3303

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPOSITION

Mary T. Ard, Mary T. Ard, Trustee of the
Edward Hudson Trust 4, Ard Energy Group,
Ltd., and Ard Oil, Ltd.

ATTORNEY

James Bruce, Esq.
369 Montezuma, No. 213
Santa Fe, New Mexico 87501
(505) 982-2043

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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 S/2 of Section 12, Township 17 South, Range 31 East, N.M.P.M., Eddy County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Fren-Morrow Gas Pool,; the SW/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool and the Undesignated East Fren-Paddock Pool. Said units are to be dedicated to its Knockabout Federal Well No. 1 to be drilled at a standard gas well location 1830 feet from the South line and 1980 feet from the West line (Unit K) of said Section 12. 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 Hudson Oil Company of Texas as operator of the well and a charge for risk involved in drilling said well


PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Raye Miller (Practical Oil Man)	Approx. 20 Minutes	Approx. 5
Randall Hudson (May Call)		None

PROCEDURAL MATTERS

Marbob Energy Corporation has none at this time.


William F. Carr
Attorney for Marbob Energy Corporation

CERTIFICATE OF SERVICE

I certify that on March 4, 2005, I served a copy of the foregoing document by hand delivery to the following:

James Bruce, Esq.
Attorney for Mary T. Ard *et al.*
369 Montezuma, No. 213
Santa Fe, New Mexico 87501

David K. Brooks, Esq.
Oil Conservation Commission
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505



William F. Carr