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 NADEL AND GUSSMAN HEYCO,
L.L.C. FOR APPROVAL OF A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.   Case No. 14,891

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT
Nadel and Gussman Heyco, LLC
P.O. Box 1933
Roswell, New Mexico 88202

Attention: Colby Booth
             (575) 623-6601

APPLICANT'S ATTORNEY
James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT
Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit
(project area) in the Glorieta-Yeso formation comprised of the S/2N/2 of Section 20, Township
18 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests in
the Glorieta-Yeso formation underlying the non-standard spacing and proration unit (project
area) for all pools or formations developed on 40 acre spacing within that vertical extent. The
unit is to be dedicated to the Cannonball Well No. 1, a horizontal well with a surface location in
the SE/4NE/4, and a terminus in the SW/4NW/4, of Section 20. Also to be considered will be
the cost of drilling and completing the well and the allocation of the cost thereof, as well as

actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Colby Booth (landman)	15 min.	Approx. 6
Gordon Yahney (geologist)	15 min.	Approx. 4
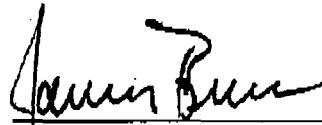
OPPONENT

WITNESSES	EST. TIME	EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

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

Attorney for Nadel and Gussman Heyco, LLC