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

2013 MAY :

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

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 14.985

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT Apache Corporation Suite 3000

300 Veterans Airpark Lane Midland, Texas 79705

Attention:

Michelle Hanson

OTHER PARTY

APPLICANT'S ATTORNEY James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying Lot 3 (the NE/4NW/4) of Section 2, Township 20 South, Range 38 East, NMPM, to form a standard 39.77-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the House-Blinebry Pool, House-Tubb Pool, House-Drinkard Pool, and House-Abo Pool. The unit will be dedicated to the Pinot Well No. 1, to be drilled at an orthodox oil well location in Lot 3 of Section 2. 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

Michelle Hanson 15 min. Approx. 5

(landman)

Approx. 5

IF THE MATTER IS UNCONTESTED IT WILL BE SUBMITTED BY AFFIDAVIT.

OPPONENT

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

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

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Attorney for Apache Corporation