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

2013 JUL - 3 P 3: 04

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

APPLICATION OF RSC RESOURCES LIMITED PARTNERSHIP FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Casa No. 15 022

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT RSC Resources LP 6824 Island Ct. Midland, Texas 79707 Attention:

Randy S. Cate

James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

APPLICANT'S ATTORNEY

(505) 982-2043

OPPONENT OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 15. Township 24 South, Range 28 East, NMPM, and in the following manner: The N/2 to form a standard 320acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the SW/4NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Ana Com. Well No. 1, to be re-entered at an orthodox location in the SW/4NE/4 of Section 15. Also to be considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and

charges for supervision, designation of Guardian Operating Corp. as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well.

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PROPOSED EVIDENCE

APPLICANT

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

Randall Cate 15 min. Approx. 6

IF THE APPLICATION IS UNOPPOSED APPLICANT MAY SUBMIT ITS TESTIMONY BY AFFIDAVIT.

OPPONENT

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

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for RSC Resources Limited Farmership

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