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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 HEARING:

APPLICATION OF TREK RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE 13556

PRE-HEARING STATEMENT

Trek Resources, Inc. submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

ATTORNEY

Trek Resources, Inc. 5 One Energy Square 25 Greenville Ave. Dallas, TX 75206 Thomas Kellahin, Esq. P. 0. Box 2265 Santa Fe, New Mexico 87504 505-982-4285

Frank McColloch 214-368-5038

OPPONENT

ATTORNEY

none

(NV) 9/20/63

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STATEMENT OF THE CASE

APPLICANT:

Trek Resources, Inc., in accordance with Section 70-1-17.C seeks a compulsory pooling order pooling all mineral interests from the surface to the base of the Drinkard formation underlying the NE/4SW/4 of Section 30, T16S, R39E, NMPM, Lea County, New Mexico, forming a standard 40-acre oil spacing and proration unit for any production for any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Lower Clearfork-Drinkard Pool. This unit is to be dedicated to its Stephenson Well No. 1 that is to be drilled at a standard well location in Unit K of this section. Also to be considered will be the costs of the drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Trek Resources, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. Applicant proposes to submit its evidence by affidavit in accordance with Division Rule 1207.A

Trek Resources, Inc. requests that this application be processed in accordance with Division Rule 1607(A)(1)(b) and accordingly will submit it evidence by affidavit.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EST. EXHIBITS

Frank McColloch, landman (by affidavit)

15-min

about 7

PROCEDURAL MATTERS

None

. Thomas Kellahin

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