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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 CONSIDERING:

APPLICATION OF NADEL AND GUSSMAN
PERMIAN, L.L.C. FOR AN ORDER AUTHORIZING
DRILLING A WELL IN THE POTASH AREA,
LEA COUNTY, NEW MEXICO.

Case No. 15,179

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Nadel and Gussman Permian, LLC
Suite 508
601 North Marienfeld
Midland, Texas 79701

Attention: Scot Grifo
(432) 682-4429

APPLICANT'S ATTORNEY

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OPPONENT

Mosaic Potash Carlsbad, Inc.

OPPONENT'S ATTORNEY

Charles C. High, Jr.

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving the drilling of its proposed Tonto Fed. Com. Well No. 2H, to an approximate depth of 9,900 feet to test the Bone Spring formation, within the Potash Area, at a surface location 1865 feet from the south line and 2276 feet from the east line (Unit J) of Section 32, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, to an orthodox terminus in the NE/4SW/4 (Unit K) of adjoining Section 33. The N/2SE/4 of Section 32 and the N/2SW/4 of Section 33 will be dedicated to the well.

Applicant proposes to drill in an area where oil and gas are currently being produced, and therefore potash mining operations would unreasonably interfere with oil and gas development and production. In addition, applicant's well will not unduly affect potash operations.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

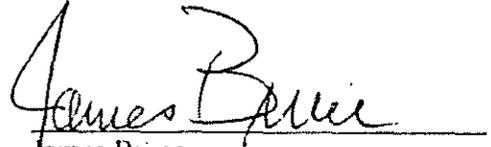
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Scott Grifo (landman)	20 min.	Approx. 8
Michael Matteucci (geologist)	20 min.	Approx. 4
Jason Goss (engineer)	20 min.	Approx. 4

OPPONENT

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

Respectfully submitted,



James Bruce
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(505) 982-2043

Attorney for Nadel and Gussman Permian,
LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 14th day of August, 2014 by e-mail:

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