

**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 LATIGO PETROLEUM, INC.
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 13,551

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Latigo Petroleum, Inc.
Suite 700
550 West Texas
Midland, Texas 79701

Attention: William F. Chatham
(432) 684-4293

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

Latigo Petroleum, Inc. seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Atoka formation underlying the E/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated South Culebra-Atoka Gas Pool or Undesignated Laguna Salado-Atoka Gas Pool. The unit is to be designated to the North Bank 13 Federal Well No. 1, to be located at an orthodox well location in the SW/4SE/4 of Section 13. 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

APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS MATTER BE TAKEN UNDER ADVISEMENT.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

THIS CASE WILL BE SUBMITTED BY AFFIDAVT.

OPPONENT

WITNESSES

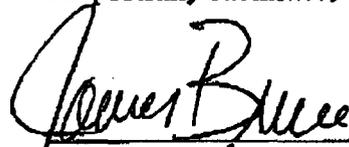
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Latigo Petroleum, Inc.