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

IN THE MATTER OF THE APPLICATION OF MACK ENERGY CORPORATION FOR CONTRACTION OF THE EAST EMPIRE YESO POOL AND EXTENSION OF THE HORIZONTAL BOUNDARIES AND THE VERTICAL LIMITS OF A PORTION OF THE GRAYBURG JACKSON (SEVEN RIVERS-QUEEN-GRAYBURG SAN ANDRES) POOL, EDDY COUNTY, NEW MEXICO

2006 APR 6 PM 4 CASE NO. 1360926

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf

of Mack Energy Corporation, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

APPLICANT

Mack Energy Corporation

J. Scott Hall, Esq. Miller Stratvert P.A. 150 Washington Ave., Suite 300 Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614

OPPONENT'S ATTORNEY

OPPONENT

OTHER PARTY'S ATTORNEY

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

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Applicant seeks an order contracting the East Empire-Yeso Pool to exclude the following acreage:

Township 17 South, Range 29 East, NMPM Section 22: N/2 SW/4, SW/4 SW/4 Section 27: W/2 SW/4 Section 28: N/2

Applicant also seeks an order simultaneously extending the horizontal boundaries and the vertical limits of the Grayburg Jackson (Seven River-Queen-Grayburg-San Andres) Pool within the Grayburg-Jackson West Cooperative Unit which is comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following acreage:

Township 17 South, Range 29 East, NMPM Section 15: W1/2SW1/4 Section 16: All Section 21: All Section 22: W1/2W1/2, E1/2NW1/4, NE1/4SW1/4, NW1/4NE1/4 Section 27: W1/2SW1/4

Section 28: All

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT WITNESSES	EST. TIME	NO. OF EXHIBITS
Matt Brewer (Geologist)	30 Minutes	5
Ron Lanning (Landman)	15 Minutes	5

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WITNESSES

EST. TIME

NO. OF EXHIBITS

PROCEDURAL MATTERS

Applicant will request that this matte be consolidated with Case No. 13608 for hearing.

By:

MILLER STRATVERT P.A.

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J. Scott Hall Attorneys for Mack Energy Corporation Post Office Box 1986 Santa Fe, New Mexico 87504-1986 (505) 989-9614 (505) 989-9857 (Facsimile)

 $G: \label{eq:action} G: \label{eq:action} Data \label{eq:action} Clients \label{eq:action} \label{eq:action} Statement \label{eq:action} 13609. doc$