

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

IN THE MATTER OF THE
APPLICATION OF LCX ENERGY, LLC
FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO

CASE NO. 13736

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of LCX Energy, LLC, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

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

APPLICANT

LCX Energy, LLC

OPPONENT

OTHER PARTY'S ATTORNEY

OTHER PARTY

2006 JUN 15 PM 3 31

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 E/2 of Section 12, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation. Said units are to be dedicated to Applicant's proposed 1724 Ross Well No. 121 to be drilled from a surface location 660' from the South line and 1880' from the East line to a bottom hole location 660' from the North line and 1880' from the East line of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in drilling said well.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	NO. OF EXHIBITS
Gary Stoltz, Landman	20 Minutes	6

OPPOSITION

WITNESSES	EST. TIME	NO. OF EXHIBITS
-----------	-----------	-----------------

PROCEDURAL MATTERS

Case Nos. 13687, 13735, 13736 and 13737 may be consolidated for hearing.

MILLER STRATVERT P.A.

By: J. Scott Hall

J. Scott Hall, Esq.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614
Attorneys for LCX Energy, LLC