STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION PM 2 40

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF UNIT PETROLEUM COMPANY TO AMEND THE SPECIAL RULES AND REGULATIONS FOR THE NORTH OSUDO-MORROW GAS POOL. LEA COUNTY, NEW MEXICO.

Case No. 13,779

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Unit Petroleum Company Suite 101 407 North Big Spring Midland, Texas 79701

Attention: Fred Schantz

(432) 685-9020

OPPONENT

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order amending the special rules and regulations for the North Osudo-Morrow Gas Pool to provide for 640 acre well units with a provision for non-standard units, four wells per well unit with no more than one well per quarter section, wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line or subdivision inner boundary, and limiting the special rules and regulations to acreage currently within the designated horizontal extent of the pool. The subject pool covers all or parts of Soluly FOUNT

Sections 30-32, Township 19 South, Range 36 East, NMPM and Sections 6, 7, 16-21, 29, and 30, Township 20 South, Range 36 East, NMPM.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Fred Schantz (landman)	15 min.	Approx. 5
(geologist)	20 min.	Approx. 4

OPPONENT

PROCEDURAL MATTERS

-None-

James Bruce

Post Office Box 1056

Respectfully submitted,

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Unit Petroleum Company