

**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 COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 13,851

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Nadel and Gussman Permian, L.L.C.
Suite 508
601 North Marienfeld

Attention: Sam H. Jolliffe IV
(432) 682-4429

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 12, Township 21 South, Range 21 East, NMPM, 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 Little Box Canyon-Morrow Gas Pool. The unit is to be dedicated to the Major Gant Fed. Well No. 1, to be drilled at an orthodox location in the SW/4 of Section 12. 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.

OPPONENT**PROPOSED EVIDENCE**APPLICANTWITNESSES

Sam H. Jolliffe IV
(landman)

EST. TIME

20 min.

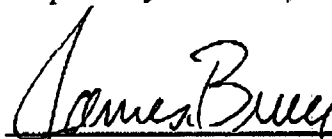
EXHIBITS

Approx. 6

OPPONENTWITNESSESEST. TIMEEXHIBITS**PROCEDURAL MATTERS**

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
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(505) 982-2043

Attorney for Nadel and Gussman Permian,
L.L.C.