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:

CASE NO. 13871

APPLICATION OF EOG RESOURCES, INC., FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

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This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Mr. Rick Lanning EOG Resources, Inc. P. O. Box 2267 Midland, Texas 79702 (432) 686-3730 Ocean Munds-Dry, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208

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STATEMENT OF CASE

<u>APPLICANT</u>

Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation, in the E/2 of Section 5, Township 16 South, Range 25 East, N.M.P.M., Eddy County, New Mexico to form a 320-acre project area for a horizontal well. Said unit is to be dedicated to its Tiber B 5 Fee Well No. 1H to be horizontally drilled from a surface location 187 feet from the South line and 2239 feet from the East line to a depth of 4756 feet to penetrate the Wolfcamp formation to a bottomhole location 2448 feet from the North line

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and 1880 feet from the East line of said Section 5. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles northwest of Artesia, New Mexico..

PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

(Name and Expertise)

Steve Robertson, Petroleum Engineer

Approx. 30 min.

Approx. 8

PROCEDURAL MATTERS

EOG Resources, Inc., has none at this time.

Ocean Munds-Dry

Attorneys for EOG Resources, Inc.

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