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:

APPITCATION OF NADEL AND GUSSMAN PERMIAN, L.L.C. FOR SPECIAL POOL RULES, OR IN THE ALTERNATIVE FOR A NON-STANDARD GAS SPACING AND PRORATION UNIT AND AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

Case No. 13115 (Readvertised)

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 Midland, Texas /9/01

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OPPONENT Snow Oil & Gas, Inc. Santa Fe, New Mexico 87504 (505) 982-2043

OPPONENT'S ATTORNEY
Paul R. Owen

APPLICANT'S ATTORNEY

Post Office Box 1056

James Bruce

STATEMENT OF THE CASE

APPLICANT

Attention:

Applicant seeks an order approving special pool rules for the North Esperanza-Delaware Pool, including a limiting gas:oil ratio of 15,000 ft³ of gas for each barrel of oil produced. The pool covers the N% and SE% of Section 28, Township 21 South, Range 27 East, N.M.P.M. In the alternative, if applicant's Tucker Fee Well No. 1Y is deemed to be a gas well, it requests a non-standard gas spacing and proration unit in the Delaware formation comprised of the W%SE% of said Section 28. The unit will be dedicated to said well, located at an unorthodox gas well location 1600 feet from the south line and 2300 feet from the east line of Section 28.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

This case was presented on August 14th, and applicant requests that the matter be taken under advisement based on that record. If necessary, applicant would present Kem McCready, its engineer, to answer questions.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

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

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing pleading was served by facsimple transmission upon the following counsel of record this day of September, 2003:

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