

**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 PRIDE ENERGY COMPANY
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 13,998

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Pride Energy Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Pride Energy Company
P.O. Box 701950
Tulsa, Oklahoma 74170

Attention: Matthew Pride
(918) 524-9200

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 Mississippian formation underlying the following described acreage in Section 25, Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The E/2 to form a standard 320 acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent; the NE/4 to form a standard 160 acre gas spacing and proration unit for all formations developed on 160 acre spacing within that vertical extent; the W/2NE/4 to form a standard 80-acre oil spacing and proration unit for all formations or pools developed on 80 acre spacing within that vertical extent, including the Inbe Permo-Pennsylvanian Pool; and the NW/4NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Inbe "25"

W.D. 7/10/07

Well No. 1, to be located at an orthodox location in the NW/4NE/4 of Section 25. 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

APPLICANT

WITNESSES

EST. TIME

EXHIBIT

Pursuant to Division Rule 1207.A(1), this application will be submitted by affidavit.

OPPONENT

WITNESSES

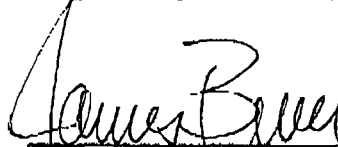
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
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Attorney for Pride Energy Company