

**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 PURVIS OPERATING CO.
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 13,992

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Purvis Operating Co.
P.O. Box 51990
Midland, Texas 79710

APPLICANT'S ATTORNEY

James Bruce
P.O. 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 in the Devonian formation underlying the E/2NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at an orthodox location in the NE/4NE/4 of Section 12. Also to be considered will be the cost of re-entering 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 re-entering and completing the well.

OPPONENT

AND 7/13/07

PROPOSED EVIDENCE**APPLICANT****WITNESSES**Briggs Donaldson
(landman)**EST. TIME**

15 min.

EXHIBITS

Approx. 6

OPPONENT**WITNESSES****EST. TIME****EXHIBITS****PROCEDURAL MATTERS**

Respectfully submitted,

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

Attorney for Purvis Operating Co.