

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 HEARING:

APPLICATION OF PRO NM ENERGY, INC
FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO

CASE 14 019

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PRE-HEARING STATEMENT

PRO NM ENERGY, INC submits this pre-hearing statement as required by the
New Mexico Oil Conservation Division.

APPEARANCES OF THE PARTIES

APPLICANT

PRO NM Energy, Inc.
460 St. Michael's Drive #300
Santa Fe, NM 87505
Attn: Gene Gallegos
505-988-4171

ATTORNEY

Thomas Kellahin, Esq.
706 Gonzales Road
Santa Fe, New Mexico 87501
505-982-4285

OPPONENT

none

ATTORNEY

STATEMENT OF THE CASE

APPLICANT:

Pro NM Energy Inc. seeks an order pooling all mineral interests from the surface to the base of the Fruitland formation underlying the following described acreage in Section 18, T26N, R11W, NMPM, in the following manner: the E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent, including the Basin Fruitland Coal Gas Pool, to be dedicated to its Gracia Federal 18-I Well No. 1 (API#30-045-32857) drilled in Unit I and Gracia Federal 18-I Well No 1S (API#30-045-33468) drilled in Unit B both in this section. Also to be considered will be the costs of drilling and completing these wells and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of these wells and a 200% charge for risk involved in these wells. These units are located approximately 3 miles northwest of the Huerfano Chapter House, New Mexico. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

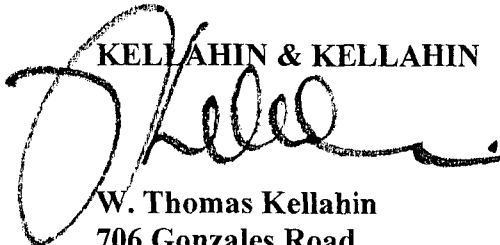
PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EST. EXHIBITS
By affidavit Jolene Dicks (Landman)	10 min	about 8

PROCEDURAL MATTERS

None


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CERTIFICATE OF SERVICE

I certify that on September __, 2007, I served a copy of the foregoing documents by:

☐ US Mail, postage prepaid

☐ Hand Delivery

☐ Facsimile

to the following:

Gail McQuesten, Esq. (NMOCD)

W. Thomas Kellahin