

**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 TRILOGY OPERATING, INC.
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 14,105

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Trilogy Operating, Inc.
P.O. Box 7606
Midland, Texas 79708

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 from the surface to the base of the Yates/Seven Rivers formation underlying the NE/NW/4 of Section 25, Township 19 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated South Nadine Yates-Seven Rivers Pool. The unit will be dedicated to the Topaz Well No. 1, to be re-entered at an orthodox oil well location in the NE/4NW/4 of Section 25. 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

4/2/08
JCB

PROPOSED EVIDENCE**APPLICANT****WITNESSES****EST. TIME****EXHIBITS**

THIS CASE WILL BE SUBMITTED BY AFFIDAVIT.

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

-None-

Respectfully submitted,



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Attorney for Trilogy Operating, Inc.