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 GMT EXPLORATION COMPANY LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 14,184

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by GMT Exploration Company LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

GMT Exploration Company LLC

Suite 800

1560 Broadway

Denver, Colorado 80202

APPLICANT'S ATTORNEY

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Megan S. Albrecht

(720) 946-3028

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

GMT Exploration Company LLC seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 28, Township 18 South, Range 34 East, NMPM, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated La Rica-Morrow Gas Pool. The unit is to be designated to the NW Raptor 43-28 State Com. Well No. 1, to be drilled at an orthodox gas well location in the NE/4SE/4 of Section 28. 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 EXHIBITS

Megan S. Albrecht 20 min. Approx. 5

(landman)

OPPONENT

<u>WITNESSES</u> <u>EST, TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

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GMT Exploration Company LLC