

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

RECEIVED

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

OCT 7 2003

Oil Conservation Division

CASE NO. 13155

**APPLICATION OF MACK ENERGY
CORPORATION FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

**This Prehearing Statement is submitted by Holland & Hart LLP as required by
the Oil Conservation Division.**

APPEARANCES OF PARTIES

APPLICANT

Mack Energy Corporation
Attn: Ron Lanning
Post Office Box 960
Artesia, New Mexico 88211
(505) 748-1288

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in the following described spacing and proration units in Section 28, Township 17 South, Range 29 East as follows: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Grayburg-Morrow Gas Pool and the Undesignated Grayburg-Atoka Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing; the W/2 NE/4 for all formations and/or pools developed on 80-acre spacing which includes but is not necessarily limited to the Undesignated South Empire-Wolfcamp Pool; and

the SW/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Empire Abo Pool and the Undesignated Grayburg-Upper Pennsylvanian Pool. Said units are to be dedicated to applicant's Diamondbacks State Well No. 1 to be drilled at a standard location 1980 feet from the North and East lines of said Section 28 to test all formations and/or pools from a depth of 5000 feet to the base of the Ellenberger formation. Also to be considered will the cost of drilling and completing said 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 charge for risk involved in drilling said well. Said area is located approximately 6 miles west of Loco Hills, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

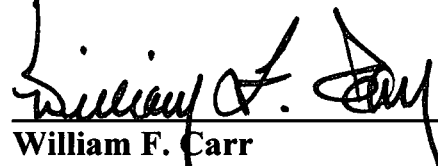
Ron Lanning
(Landman)

Approx. 20 min.

Approx. 6

PROCEDURAL MATTERS

Mack Energy Corp. has none at this time.



William F. Carr
Attorney for Mack Energy Corp.