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

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

CASE NO. 14328

APPLICATION OF MARBOB ENERGY CORPORATION FOR APPROVAL OF A UNIT AGREEMENT, EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Mr. Dean Chumbley Marbob Energy Corporation Post Office Box 227 Artesia, New Mexico 88211-0227 (505) 748-3303 William F. Carr, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

STATEMENT OF CASE

Applicant in the above-styled cause seeks approval of the SRO State Exploratory Unit for an area comprising 8320 acres of State of New Mexico lands located in portions of Sections 32 through 34 of Township 25 South, Range 28 East, and Sections 2 through 10, 15 through 18 and 20 of Township 26 South, Range 28 East, N.M.P.M. which is located approximately 10 miles south of Malaga, New Mexico.

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PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

(Name and Expertise)

BY AFFIDAVIT

PROCEDURAL MATTERS

Marbob Energy Corporation has none at this time.

Respectfully submitted,

HOLLAND & HART, LLP

William F. Car

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Attorneys for Marbob Energy Corporation