

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

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

APPLICATION OF NADEL AND GUSSMAN
HEYCO, L.L.C. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 14311

AMENDED PRE- HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Nadel and Gussman Heyco, L.L.C.
Attn: Colby Booth
Post Office Box 1936
Roswell, New Mexico 88202-1936
(575) 623-6601

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043 Facsimile

OPPOSITION OR OTHER PARTY

Cimarex Energy Co.

ATTORNEY

W. Thomas Kellahin, Esq.
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-2047 Facsimile

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the
base of the Yates formation to the base of the Queen formation in four spacing and proration units

located in the NW/4 of Section 28, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico to test any and all pools in these formations, which includes the Pearl-Queen Pool, as follows:

A. NW/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 1 to be drilled at a standard location 330 feet from the North line and 660 feet from the West line of said Section to an approximate depth of 5050;

B. SW/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 2 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050;

C. SE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 3 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050;

D. NE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 4 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050; Also to be considered will be the cost of drilling and completing these wells as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling these wells.

PROPOSED EVIDENCE

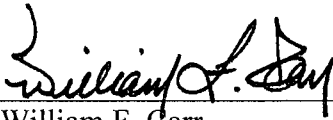
<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Colby Booth (Landman)	15 Minutes	Approx. 6
Scott Germann (Geologist)	10 Minutes	Approx. 3

PROCEDURAL MATTERS

Cimarex has filed a companion case in this matter. Nadel and Gussman Heyco, L.L.C. will request that the cases be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

William F. Carr

Ocean Munds-Dry

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ATTORNEYS FOR

NADEL AND GUSSMAN HEYCO L.L.C.

CERTIFICATE OF SERVICE

I certify that on June 4, 2009, I served a copy of the foregoing document to the following

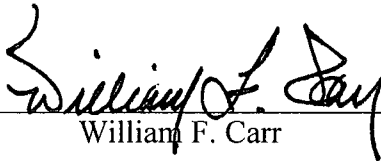
by Facsimile to:

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