

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

2010 JAN -4 A 8: 51

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

APPLICATION OF PRIDE ENERGY COMPANY
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

Case No. 14,414

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Pride Energy Co.
P.O. Box P.O. Box 701950
Tulsa, Oklahoma 74170

Attention: Matthew Pride
(918) 524-9200

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 Strawn formation underlying the SW/4 of Section 19, Township 16 South, Range 36 East, NMPM, and in the following manner: (i) the NW/4SW/4 of Section 19 to form a standard 40 acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated Shoe Bar-Upper Pennsylvanian Pool; (ii) the W/2SW/4 of Section 19 to form a standard 80 acre oil spacing and proration unit for any formations and/or pools developed on 80 acre spacing within that vertical extent, including the Undesignated Northeast Shoe-Bar-Strawn Pool; and (iii) the SW/4 of Section 19 to form a standard 160 acre oil spacing and proration unit for any formations and/or pools developed on 160 acre spacing within that vertical extent, including the North Shoe Bar-Wolfcamp Pool. The

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units are to be designated to the Hondo Fee Well No. 1, to be re-entered at a location 1980 feet from the south line and 660 feet from the west line of Section 19. 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

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Matthew Pride (landman)	20 min.	Approx. 4

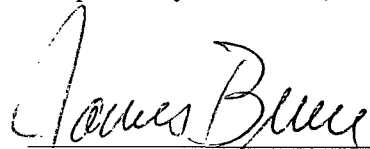
In the absence of objection this case will be presented by affidavit.

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Pride Energy Co.