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 POGO PRODUCING COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 13,216

PRE HEARING STATEMENT

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

APPRARANCES

APPLICANT

Attention:

Pogo Producing Company

P.O. Box 10340

Midland, Texas 79702

Loslyn Wallace

(432) 685-8127

OPPONENT

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

STATEMENT OF THE CASE

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1-4 and the S%N% (the N% equivalent) of Section 4, Township 20 South, Range 27 East, NMPM, to form a standard 324.40-acre gas spacing and proration unit for any formations and/or pools developed on 320spacing within that vertical extent, including the Undesignated North McMillan-Morrow Gas Pool. The unit is to be dedicated to the McMillan "4" Fed. Com. Well No. 1, to be drilled at a previously approved unorthodox location in Lot 3 of Section 4. 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, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>

EST. TIME

EXHIBITS

Leslyn Wallace (landman)

10 min.

Approx. 5

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

P.O. Box 1056

Santa Fe, New Mexico (505) 982-2043 87504

Attorney for Pogo Producing

Company