

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

IN THE MATTER OF THE APPLICATION OF  
TEXACO EXPLORATION AND PRODUCTION, INC.  
FOR COMPULSORY POOLING, AN UNORTHODOX  
GAS WELL LOCATION AND NON-STANDARD  
SPACING AND PRORATION UNITS,  
EDDY COUNTY, NEW MEXICO

CASE NO. 12051

AND

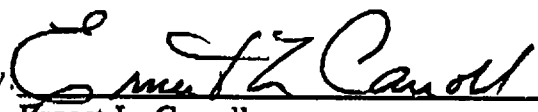
IN THE MATTER OF THE APPLICATION OF  
MATADOR PETROLEUM CORPORATION FOR AN  
UNORTHODOX GAS WELL LOCATION AND TO  
AMEND ORDER R-10872-B TO APPROVE A  
STANDARD 600.0-1 ACRE GAS PRORATION AND  
SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 12034

**ENTRY OF APPEARANCE**

COMES NOW Losee, Carson, Haas & Carroll, P. A. (Ernest L. Carroll) and hereby enters its appearance on behalf of Penwell Energy, Inc. in the captioned causes of action, thereby requesting notice of all hearings and copies of all pleadings filed.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By:   
Ernest L. Carroll  
P.O. Box 1720  
Artesia, NM 88211-1720  
(505)746-3505  
Attorneys for Penwell Energy, Inc.

I hereby certify that I caused a true and correct copy of the foregoing pleading to be faxed to counsel of record this October 30, 1998.



Ernest L. Carroll

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

IN THE MATTER OF THE APPLICATION OF  
TEXACO EXPLORATION AND PRODUCTION, INC.  
FOR COMPULSORY POOLING, AN UNORTHODOX  
GAS WELL LOCATION AND NON-STANDARD  
SPACING AND PRORATION UNITS,  
EDDY COUNTY, NEW MEXICO

CASE NO. 12051

AND

IN THE MATTER OF THE APPLICATION OF  
MATADOR PETROLEUM CORPORATION FOR AN  
UNORTHODOX GAS WELL LOCATION AND TO  
AMEND ORDER R-10872-B TO APPROVE A  
STANDARD 600.0-1 ACRE GAS PRORATION AND  
SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 12034

**PREHEARING STATEMENT**

This prehearing statement is submitted by PENWELL ENERGY, INC. as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Texaco Exploration and Production, Inc.  
and Matador Petroleum Corporation

**ATTORNEY**

William F. Carr  
Campbell, Carr, Berge & Sheridan, P. A.  
P. O. Box 2208  
Santa Fe, NM 87504-2208  
(505)988-4421

**PARTY IN INTEREST**

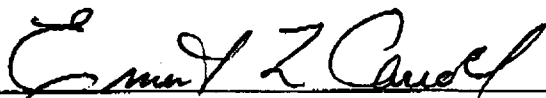
Penwell Energy, Inc.

Ernest L. Carroll  
Losee, Carson, Haas & Carroll, P. A.  
P. O. Box 1720  
Artesia, NM 88211-1720  
(505)746-3505

**STATEMENT OF CASE**

It is Penwell's position that it will not oppose either location and will let the matter be decided by the OCD on the basis of the testimony presented due to the fact that the parties have represented that they will not oppose a similar unorthodox location to be drilled on Penwell's acreage.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By:   
Ernest L. Carroll  
P.O. Box 1720  
Artesia, NM 88211-1720  
(505)746-3505  
Attorneys for Penwell Energy, Inc.

I hereby certify that I caused a true and correct copy of the foregoing pleading to be faxed to counsel of record this October 30, 1998.

  
Ernest L. Carroll