

**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:**

CASE NO. 12319

**APPLICATION OF NEARBURG EXPLORATION COMPANY, L.L.C.
FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO.**

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OIL CONSERVATION DIV.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Nearburg Exploration Company, L.L.C.
c/o Mark Wheeler
3300 North "A" St., Bldg. 2, Ste. 120
Midland, TX 79705
(915) 686-8235
(915) 686-7826 Fax

ATTORNEY

William F. Carr, Esq.
Paul R. Owen, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043

OPPOSITION OR OTHER PARTY

Devon Energy Corporation
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102

ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
(505) 982-2043

STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, the N/2 for all formations developed on 320-acre spacing including but not limited to the Logan Draw Morrow Gas Pool, the NE/4 for all formations developed on 160-acre spacing, the S/2 NE/4 for all formations developed on 80-acre spacing, and the SE/4 NE/4 for all formations developed on 40-acre spacing, all in Section 30, Township 17 South, Range 27 East, NMPM. Applicant proposes to dedicate these pooled units to a well to be drilled at a standard gas well in the SE/4 NE/4 of said Section 30. Also to be considered will the cost of drilling and completing said 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 charge for risk involved in drilling said well. Said area is located approximately 4 miles southeast Artesia, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mark Wheeler (Landman)	15 Min.	Approx. 15
Jerry Elger (Geology)	10 Min.	Approx. 2

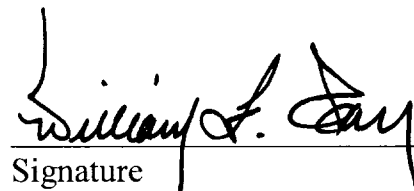
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

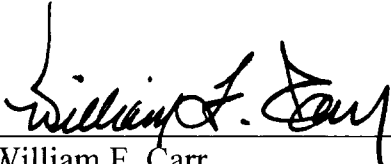
None at this time.


Signature

CERTIFICATE OF MAILING

I hereby certify that on this 28th day of January, 2000, I have caused to be hand-delivered a copy of our Pre-Hearing Statement in the above-captioned cases to the following counsel of record:

James Bruce
P.O. Box 1056
Santa Fe, NM 87504



William F. Carr