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1-18-00

**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. 12330

**APPLICATION OF AMERISTATE OIL AND GAS, INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

OIL CONSERVATION DIV.
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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

Ameristate Oil & Gas, Inc.
Attn: Mark Nearburg
211 Ranch Road 620 South, Suite 130
Austin, TX 79734
(512) 266-6007

name, address, phone and
contact person

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the top of the Mississippian formation or 12, 900 feet, whichever is lesser, in the E/2 for all formations developed on 320-acre spacing including but not limited to the Undesignated South Shoe Bar-Mississippian Gas Pool, the NE/4 for all formations developed on 160-acre spacing, the N/2 NE/4 for all formations developed on 80-acre spacing, and the NE/4 NE/4 for all formations developed on 40-acre spacing including but not limited to the Undesignated West Lovington-Upper San Andres Pool, the Undesignated Vacuum Grayburg-San Andres Pool, and the Undesignated Vacuum Abo Reef Pool, all in Section 13, Township 17 South, Range 35 East, NMPM. Applicant proposes to dedicate these pooled units to its State 13 Well No. 1 to be drilled at a standard gas well in the NE/4 NE/4 of said Section 13. 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 9 miles southwest of Lovington, 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

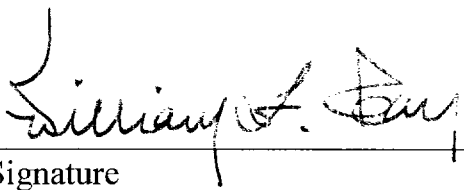
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mark Nearburg (Landman)	Approx. 5 min.	Approx. 7
Tom Beall (Petroleum Engineer)	Approx. 10 min.	Approx. 5
John Herbig (Petroleum Geologist)	Approx. 10 min.	Approx. 5
Louis Mazzulo (Petroleum Geologist)	Approx. 10 min.	Approx. 5

OPPOSITION

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

None at this time.



Signature