

**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. 12340

OIL CONSERVATION DIV.
00 JAN 28 PM 4:56

**APPLICATION OF DAVID PETROLEUM CORPORATION
FOR AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.**

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

David Petroleum Corporation
Attn: Bill Owen
116 West First Street
Roswell, NM 88201
(505) 622-8850
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

Application seeks either: i) an exception to Division Rule 104.B(1), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; or (ii) an exception to Rule 4 of the "Special Rules and Regulations for the South Big Dog-Strawn Pool", as promulgated by Division Order No. R-9722-D, as amended; for the proposed C.O. Jones "ATK" State Com. Well No. 1 (API No.30-025-34714) to be drilled at an unorthodox Strawn oil well location 1330 feet from the South line and 1150 feet from the West line (Unit L) of Section 11, Township 16 South, Range 35 East. This well is to be dedicated to either: 1) the NW/4 SW/4 of Section 11 in order to form a standard 40-acre spacing and proration unit for the Undesignated Northwest Shoe Bar-Strawn Pool, or (ii) the N/2 S/W4 of Section 11 in order to form a standard 80-acre oil spacing and proration unit for the Undesignated South Big Dog-Strawn Pool. The proposed well location is approximately 5 miles West by South 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

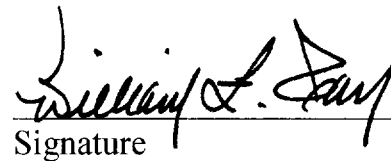
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bill Owen (Landman)	Approx. 15 min.	Approx. 6
Keith McKamey (Geologist)	Approx. 15 min.	Approx. 4

OPPOSITION

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

None at this time.


Signature