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

IN THE MATTER OF THE APPLICATION OF PATTERSON PETROLEUM, LP FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE 12668

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PRE-HEARING STATEMENT

This Amended Prehearing Statement is submitted by Montgomery & Andrews, P.A. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Patterson Petroleum, L.P. 1004 North Big Spring Suite 523 Midland, Texas 79701

ATTORNEY

Paul R. Owen, Esq. Montgomery & Andrews, P.A. Post Office Box 2307 Santa Fe, New Mexico 87504-2307 (505) 982-3873

OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following manner: the S/2 for all formations developed on 320-acre spacing, including but not necessarily limited to the undesignated Vacuum Morrow Gas Pool; the SE/4 for all formations developed on 160-acre spacing; and the SW/4 SE/4 for all formations developed on 40-acre spacing, including but not necessarily limited to the undesignated East Corbin-Wolfcamp, the undesignated EK Yates-Seven Rivers Queen, the undesignated Corbin-Abo, the undesignated North Vacuum-Abo, and the undesignated Vacuum Grayburg San Andres Oil Pools, all in Section 31, Township 17 South, Range 34 East, NMPM. Applicant proposes to dedicate these pooled units to its proposed Gach "31" State Well No. 2, to be drilled at a standard gas well location in the SW/4 SE/4 of said Section 31. 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 4.5 miles southwest of Buckeye, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mr. Joe Fitzgerald (Certified Landman)	Approx. 10 min.	Approx. 6
Mr. Truitt Matthews (Petroleum Geologist)	Approx. 10 min.	Approx. 4

PROCEDURAL MATTERS

None.

Manez a Paul R. Owen

Attorney for Applicant Patterson Petroleum, L.P.