

**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. 12689

**APPLICATION OF McELVAIN OIL & GAS PROPERTIES, INC.
FOR COMPULSORY POOLING,
RIO ARRIBA COUNTY, NEW MEXICO.**

OIL CONSERVATION DIV.
01 JUL 10 PM 4:03

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

McElvain Oil & Gas Properties, Inc.
1050 17th Street, Suite 1800
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(303) 893-0933

ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Dakota formation in the N/2 of Section 32, Township 26 North, Range 2 West, N.M.P.M. for all formations and or pools developed on 320-acre spacing. Said units are to be dedicated to its Cougar Com 32 Well No. 1 to be drilled to a depth sufficient to test all formations to the base of the Dakota formation, Basin-Dakota Gas Pool, at a standard location in the NE/4 of said Section 32. Also to be considered will be 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 12.4 miles northwest of Lindrith, New Mexico.

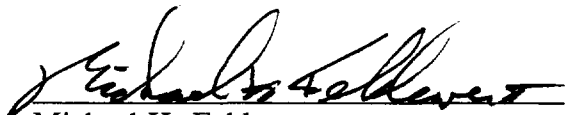
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mona Binion (Land)	10 Minutes	Approximately 5
John Steuble (Engineer)	10 Minutes	Approximately 3

PROCEDURAL MATTERS

McElvain has none at this time.


Michael H. Feldewert
Attorney for McElvain Oil & Gas Properties, Inc.