

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

AUG 31 PM 1:18

IN THE MATTER OF THE APPLICATION OF
GRUY PETROLEUM MANAGEMENT COMPANY
FOR AN UNORTHODOX INFILL GAS WELL
LOCATION AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

CASE NO.: 12723

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Gruy Petroleum Management Company
Post Office Box 140907
600 East Las Colinas Boulevard, Suite 1200
Irving, Texas 75014-0907
(972) 401-3111

ATTORNEY

William F. Carr, Esq.
Michael H. Feldewert, Esq.
Holland & Hart
110 North Guadalupe, Suite 1
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421

OPPOSITION OR OTHER PARTY

Lewis Burleson, Inc.
Attention: Steve Burleson
Post Office Box 2479
Midland, Texas 79702
(915) 683-4747

ATTORNEY

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

STATEMENT OF CASE

APPLICANT

The relief sought by Applicant is set forth in the Application filed by Applicant in this case.

OPPOSITION

Lewis Burleson, Inc. ("Burleson") is the owner of interests in acreage affected by Applicant's proposed unorthodox well location. Burleson seeks enforcement of the setback requirements of New Mexico Oil Conservation Division Rule 104.

PROPOSED EVIDENCE

APPLICANT

Applicant's proposed evidence will presumably be listed in Applicant's Prehearing Statement.

OPPOSITION

WITNESSES

(Name and expertise)

EST. TIME

EXHIBITS

Mr. Steve Burleson

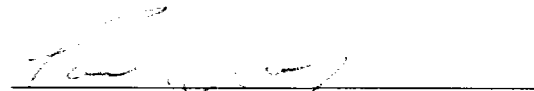
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PROCEDURAL MATTERS

(NONE)

Respectfully Submitted,



Paul R. Owen

ATTORNEY FOR LEWIS BURLESON, INC.

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of August, 2001, I have caused a copy of our Prehearing Statement in the above-captioned case to be hand-delivered to the following named parties:

William F. Carr, Esq.

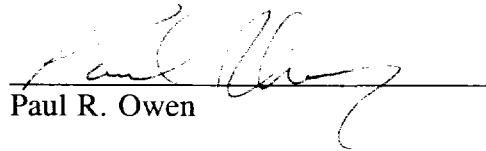
Michael H. Feldewert, Esq.

Holland & Hart

110 North Guadalupe

Santa Fe, NM 87501

ATTORNEYS FOR APPLICANT GRUY PETROLEUM MANAGEMENT COMPANY


Paul R. Owen