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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF TEXAKOMA OIL & GAS CORPORATION FOR COMPULSORY POOLING AND AA NON-STANDARD GAS SPACING AND PRORATION UNIT, SAN JUAN COUNTY, NEW MEXICO.

Case No. 1/2741

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as requested by the Oil Conservation Division.

APPEARANCE OF PARTIES

Applicant Texakoma Oil & Gas Corporation Suite 500 5400 LBJ Freeway Dallas, Texas 75240 Attention: Craig H. Sluetz

(972) 701-9106

Applicant's Attorney James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Other Party

Other Party's Attorney

STATEMENT OF CASE

Applicant

Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 8, 9, 10, NE%SW%, and SE¼ (the S½ equivalent) of Section 18, Township 31 North, Range 13 West, NMPM, to form a non-standard 262.77-acre gas spacing and proration unit for said pool. The unit is to be dedicated to applicant's La Plata 18 Well No. 2, to be drilled at an unorthodox gas well location in the SE% of Section 18. The parties being pooled are unlocatable.

Other Party

PROPOSED EVIDENCE

Applicant

Exhibits Approx. 3

A.R. Kendrick 10 min. Approx. 4

Opposition or Other Party

Est. Time Witnesses Exhibits

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Brüce

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Attorney for Texakoma Oil & Gas

Corporation