

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

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

APPLICATION OF CHI ENERGY, INC. FOR
COMPULSORY POOLING, EDDY COUNTY, NEW
MEXICO.

No. 12879

APPLICATION OF CHI ENERGY, INC. FOR
COMPULSORY POOLING, EDDY COUNTY, NEW
MEXICO.

No. 12880

APPLICATION OF CHI ENERGY, INC. FOR
COMPULSORY POOLING, EDDY COUNTY, NEW
MEXICO.

No. 12881

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Chi Energy, Inc.
Post Office Box 1799
Midland, Texas 79702

Attention: John Qualls
(915) 685-5001

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 THE CASE

APPLICANT

Applicant seeks an order pooling overriding royalty interests from
the surface to the base of the Morrow formation underlying the
following tracts of land: (a) the W $\frac{1}{2}$ of Section 4; (b) the N $\frac{1}{2}$ of
Section 10; and (c) the S $\frac{1}{2}$ of Section 10, all in Township 17 South,
Range 28 East, N.M.P.M. Pooling is necessary because the working
interest owners do not have the right to pool the overriding
royalty owners, and they have not signed ratifications of the
communitization agreements.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

WITNESSES
Bob Bell
(landman)

EST. TIME
30 Min.

EXHIBITS
(a) Land plat
(b) Correspondence
(c) Notice affidavit
(d) Publication
affidavits

OTHER PARTY

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Chi Energy, Inc.