

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:

APPLICATION OF OCEAN ENERGY,
INC. FOR POOL CREATION AND
SPECIAL POOL RULES THEREFOR,
EDDY COUNTY, NEW MEXICO.

Case No. 12916

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Ocean Energy, Inc. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Ocean Energy, Inc.
Suite 1600
1001 Fannin
Houston, Texas 77002
Attention: Derold Maney
(713) 265-6897

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant has discovered a new source of supply in the lower Bone Spring formation, and seeks creation of the Magruder-Lower Bone Spring Pool. The pool will initially cover the NW¼ of Section 10, Township 21 South, Range 27 East, NMPM. Applicant also seeks the promulgation of Special Rules and Regulations for the pool, including 160-acre spacing and a gas:oil ratio of 4000 cubic feet of gas for each barrel of oil produced.

OPPONENT

PROPOSED EVIDENCE**APPLICANT****WITNESSES**

Derold Maney
(landman)

EST. TIME

10 min.

EXHIBITS

- (a) land plat
- (b) offset operator list
- (c) l i s t o f interest owners in well
- (d) notice affidavit
- (e) isopachs (two)
- (f) production data
- (g) cross-section

Ray Payne
(engineer)

20 min.

OPPONENT**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 Ocean Energy, Inc.