

BEFORE THE
OIL CONSERVATION DIVISION

AL CONSERVATION DIV
02 NOV -3 PM 1:24

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
DAVID H. ARRINGTON OIL AND GAS, INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 12962

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller, Stratvert & Torgerson, P.A. (J. Scott Hall) on behalf of David H. Arrington Oil and Gas, Inc., as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

APPLICANT

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson, P.A.
150 Washington Ave., Suite 300
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614

OPPONENT'S ATTORNEY

OPPONENT

None.

OTHER PARTY'S ATTORNEY

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests underlying the following described acreage in Section 12, Township 18 South, Range 24 East, NMPM: W/2 to form a standard 320-

Pre-Hearing Statement
NMOCD Case No. 12962
Page 2

acre stand-up gas spacing and proration unit (“the 320-acre Unit”) for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Penasco Draw Permo-Penn Gas Pool. Said units are to be dedicated to Applicant’s proposed Gold Stonefly Fed. Com. “12” No. 1 well to be drilled at a standard 320-acre spacing and proration unit gas well location 665 feet from the South line and 1032 feet from the West line in the SW/4 of said Section 12. 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 David H. Arrington Oil and Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well.

OPPOSITION OR OTHER PARTY

It is believed that Arrington’s Application will be opposed by Yates Petroleum Company, but no entry of appearance has been received to date.

PROPOSED EVIDENCE

APPLICANT

WITNESSES:	Est. Time	No. of Exhibits
Dale Douglas (Landman)	20 Minutes	
Bill Baker (Geologist)	20 Minutes	
Chuck Sledge (Petroleum Engineer)	20 Minutes	

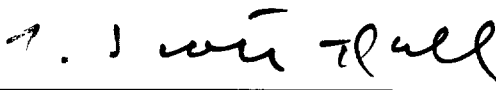
OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
------------------	------------------	-----------------

PROCEDURAL MATTERS

None.

MILLER, STRATVERT & TORGERSON, P.A.

By: 

J. Scott Hall, Esq.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614

Attorneys for David H. Arrington Oil and Gas, Inc.

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was delivered to counsel of record on the 8th day of November, 2002, as follows:

David Brooks,, Esq.
New Mexico Oil Conservation Division
1220 St. Francis Dr.
Santa Fe, New Mexico



J. Scott Hall