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 CONCHO OIL & GAS CORP. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

1/ AM

No. 12994

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Concho Oil & Gas Corp. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT
Concho Oil & Gas Corp.
Suite 410
110 West Louisiana
Midland, Texas 79701

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

Attention:

Michael M. Gray (915) 683-7443

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the SW%SW% of Section 33, Township 15 South, Range 36 East, NMPM, to form a standard 40-acre oil spacing and proration unit. The unit is to be dedicated to applicant's Ginger Quill "33" Well No. 1, to be located at a previously approved unorthodox location in the SW%SW% of Section 33. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. IN THE ABSENCE OF OBJECTION APPLICANT REQUESTS THAT THIS MATTER BE TAKEN UNDER ADVISEMENT.

¹Administrative Order NSL~4823.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

 $p\phi$ st Office Box 1056

Santa Fe, New Mexico 87504

(605) 982-2043

Attorney for Concho Oil & Gas Corp.