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:

CASE NO. 10360

APPLICATION OF BIRD CREEK RESOURCES, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BIRD CREEK RESOURCES, INC. as required by the Oil Conservation Division.

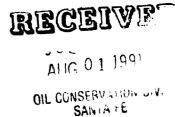
APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

ATTORNEY

Bird Creek Resources, Inc. Karen Aubrey 1412 South Boston, Ste. 550 KELLAHIN, KELLAHIN & AUBREY Tulsa, Oklahoma 74119 Attn: Lawrence W. Robinette Santa Fe, New Mexico 87504 (918) 582-4242

P.O. Box 2265 (505) 982-4285



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STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Bird Creek Resources, Inc. seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6300 feet, whichever is deeper, underlying the NW/4NW/4 (Unit D) of Section 22, T23S, R28E, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the East Loving-Delaware Pool.

Bird Creek has sought the voluntary agreement of the owners of the non-consenting working interests and has been unable to obtain voluntary agreement.

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PROPOSED EVIDENCE

APPLICANT

| WITNESSES (name and expertise) | EST. TIME | EXHIBITS |
|---------------------------------|-----------|--|
| Lawrence W. Robinette (Landman) | 30 Min. | Correspondence showing effort to form volun- tary unit |
| Brad Burks (PE) | 20 Min. | AFE Joint Operating Agreement 3 Production plots of nearby wells Structure map 2 log cross-sections Net pay isopach Ownership map Production map |

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

KELLAHIN/ KELLAHIN & AUBREY

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