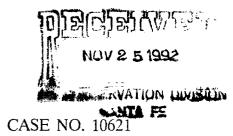
STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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



APPLICATION OF FORTSON OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT	ATTORNEY
Fortson Oil Companyc/o Richard Coats	William F. Carr Campbell, Carr, Berge & Sheridan, P.A.
306 W. Wall, Suite 620 Midland, Texas 79701	Post Office Box 2208
(915) 684-5824	Santa Fe, New Mexico 87504 (505) 988-4421
OPPOSITION OR OTHER PARTY	ATTORNEY
name, address, phone and contact person	

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STATEMENT OF CASE

APPLICANT

Fortson Oil Company, applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SW/4 SW/4 (Unit M) of Section 30, Township 19 South, Range 39 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

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PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS (Name and expertise)

Richard Coats, Landman 10 Min. Approximately 5

John Tittle, Geologist 10 Min. Approximately 3

OPPOSITION

WITNESSES EST. TIME EXHIBITS (Name and expertise)

PROCEDURAL MATTERS

Signature