

**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:

UN 7111
JAN 11 2011

CASE NO. 11545

APPLICATION OF PENWELL ENERGY, INC
FOR A UNIT AGREEMENT,
EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Penwell Energy, Inc
c/o Mark Wheeler
600 Marienfeld
Midland, TX 79701
(915) 683-2534

name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

INTERESTED PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

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

Penwell Energy, Inc., applicant in the above-styled cause, seeks approval of the Wagon Wheel Exploratory Unit Agreement for an area comprising 5,040.00 acres of Federal and Fee lands in all or portions of Sections 10, 11, 14, 15, 21, 22, 23, 26, 27, 28, 33 and 34 of Township 22 South, Range 22 East, which is located approximately 20 miles West of Carlsbad, New Mexico.

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.)

PROPOSED EVIDENCE

APPLICANT

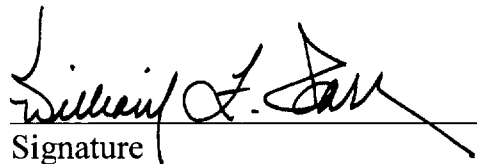
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mark Wheeler, Landman	10 Min.	Approximately 5
John Thoma, Geologist	10 Min.	Approximately 4

OTHER PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

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


Signature