

OIL CONSERVATION DIV.

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**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 BETTIS, BOYLE & STOVALL
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 12601

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Bettis, Boyle & Stovall
Attention: C. Mark Maloney
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ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Bough C formation in the following described spacing and proration units located in Section 30, Township 9 South, Range 33 East: Lots 3 and 4 (W/2 SW/4 equivalent) to form a 79.73-acre standard spacing and proration unit for all formations and/or pools developed on 80-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Flying "M"-San Andres Pool; and Lot 3 (NW/4 SW/4 equivalent) to form a 39.82-acre standard spacing and proration unit for all formations and/or pools developed on 40-acre spacing within that vertical extent which includes but is not necessarily limited to the South Flying "M"-Bough Pool. Said units are to be dedicated to a well to be drilled at a standard location in the NW/4 SW/4 of Section 30 to a depth sufficient to test all formations from the surface to the base of the Bough C formation. 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. Said area is located approximately 8 miles northeast of Caprock, New Mexico.

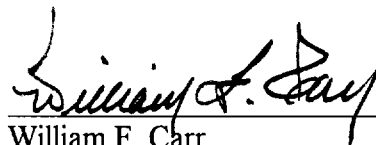
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Mark Maloney (Landman)	Approx. 15 Minutes	Approx. 6
Bill Probandt (Geologist)	Approx. 10 Minutes	Approx. 3

PROCEDURAL MATTERS

Bettis, Boyle & Stovall has none at this time.



William F. Carr
Attorney for Bettis, Boyle & Stovall