

**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 CELERO ENERGY II, LP
TO APPROVE THE EXPANSION OF THE
DRICKEY QUEEN SAND UNIT AREA AND
TO CONSOLIDATE SECONDARY RECOVERY
PROJECTS WITHIN THE EXPANDED UNIT
AREA, CHAVES COUNTY, NEW MEXICO.**

No. 14675

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Celero Energy II, L.P.
Suite 1601
400 West Illinois
Midland, Texas 79701

Attention: John E. Lodge
(432) 686-1883

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order approving the expansion of the Drickey Queen Sand Unit Area, originally approved by Commission Order No. R-1477 and covering 5241.59 acres, to include additional tracts not originally committed to the unit. The unit area, as expanded, contains 7002.52 acres of federal, state, and fee lands covering all or parts of 33-35, Township 13 South, Range 31 East, N.M.P.M., and Sections 1-4, 9-11, 14-16, and 22, Township 14 South, Range 31 East, N.M.P.M. Applicant further seeks the consolidation of several existing Division-approved

5/23/10

secondary recovery projects covering the lands in the unit area, as expanded, into a single project for the Dickey Queen Sand Unit Area.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Jim Gresham
(landman)

10 min.

Approx. 3

APPLICANT INTENDS TO PRESENT THIS CASE BY AFFIDAVIT.

OPPONENT

WITNESSES

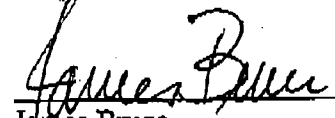
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Attorney for Celero Energy II, L.P.