

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

2013 JUL -3 P 3: 03

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

APPLICATION OF CAZA PETROLEUM, INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

Case No. 15,021

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Caza Petroleum, Inc.
Suite 200
10077 Grogan's Mill Road
The Woodlands,, Texas 77380

Attention: John E. Brown
(281) 363-4442

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

Caza Petroleum, Inc. seeks an order approving a non-standard 160-acre spacing and proration unit in the Bone Spring formation comprised of the E/2W/2 of Section 29, Township 23 South, Range 34 East, N44PM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's West Copperline 29 Fed. Well No. 1H, to be horizontally drilled from a surface location in the NE/4NW/4, to a standard bottom hole location in the SE/4SW/4, of Section 29. Also to be considered will be the cost of drilling and completing the 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 200% charge for risk involved in drilling the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Jay Brtown (landman)	15 min.	Approx. 7
Carroll Hird (geologist)	15 min.	Approx. 4

APPLICANT'S GEOLOGIST HAS BEEN EXTREMELY ILL FOR THE LAST TWO WEEKS, SO APPLICANT REQUESTS PERMISSION TO PRESENT GEOLOGIC TESTIMONY BY AFFIDAVIT, BUT WILL HAVE THE WITNESS AVAILABLE BY TELEPHONME TO ANSWER QUESTIONS.

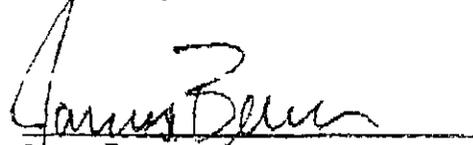
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
 Post Office Box 1056
 Santa Fe, New Mexico 87504
 (505) 982-2043

Attorney for Mewbourne Oil Company