STATE OF NEW MEXICO DESCRIPTION OF THE PROPERTY OF THE PROPERT

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IN THE MATTER OF THE APPLICATION OF CAZA OPERATING, LLC FOR A LEASE PRESSURE MAINTENANCE PROJECT IN THE DELAWARE FORMATION, EDDY COUNTY, NEW MEXICO

CASE NO. 15235

ENTRY OF APPEARANCE AND PRE-HEARING STATEMENT OF THE NEW MEXICO STATE LAND OFFICE

Kelly Brooks Smith hereby enters her appearance on behalf of the New Mexico

State Land Office and submits this pre-hearing statement as required by the Oil

Conservation Division in the instance that a party wishes to both cross-examine witnesses and to present evidence.

STATEMENT OF THE CASE

The New Mexico State Land Office has concerns that injection of produced fluids at the proposed interval may negatively impact current production of shallow oil.

PROPOSED EVIDENCE

Witnesses:

Anchor Holm, Professional Petroleum Engineer -- 15 minutes

PROCEDURAL MATTERS

The State Land Office is not aware of any procedural matters at this time.

Respectfully submitted,

Kelly Brooks Smith

Associate Counsel

New Mexico State Land Office

310 Old Santa Fe Trail

P.O. Box 1148

Santa Fe, New Mexico 87504-1148

(505) 827-5713 ksmith@slo.state.nm.us

Certificate of Service

I hereby certify that a copy of the foregoing was served upon the following this 13th day of November, 2014 by regular U.S. mail and e-mail:

Colly Brooks Smith

James Bruce, Esq.

Jamesbruc@aol.com
PO Box 1056

Santa Fe, NM 87504
505-982-2043