STATE OF NEW MEXICO RE(EVE) (C) ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 015 NOV -5 P 4: 19

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

APPLICATION OF BURNETT OIL COMPANY, INC. FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 15,405

PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u> Burnett Oil Company, Inc. Suite 1500 Unit 9 801 Cherry Street Fort Worth, Texas 76102

Attention: Coley Means (817) 332-5108

OTHER PARTY COG Operating LLC

Ard Oil, Ltd. Ard Energy Group, Ltd. APPLICANT'S ATTORNEY

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

OTHER PARTY'S ATTORNEY Ocean Munds-Dry

Ernest L. Padilla

STATEMENT OF THE CASE

APPLICANT

Burnett Oil Co., Inc. seeks an order approving a 120-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation (Fren Glorieta-Yeso Pool) comprised of the SW/4NE/4 and S/2NW/4 of Section 12, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the SW/4NE/4 and S/2NW/4 of Section 12 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Nosler 12 Fed. EG Well No. 6H, a horizontal well with a surface location in the SE/4NE/4 of adjoining Section 11, a first take point at an orthodox location in the SW/4NW4 of Section 12, and a terminus at an orthodox location in the SW/4NW4 of Section 12, and a terminus at an orthodox location in the SW/4NE4 of Section 12. 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 the risk involved in drilling and completing the well.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

| | <u>WITNESSES</u> | <u>EST. TIME</u> | <u>EXHIBITS</u> |
|-----------------|-------------------------------|------------------|-----------------|
| | Coley Means (land manager) | 20 min. | Approx. 10 |
| | Rafael Zelaya (geologist) | 15 min. | Approx, 5 |
| | Walter Glasgow (engineer) | 10 Min. | |
| <u>OPPONENT</u> | | | |

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,

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

Attorney for Burnett Oil Company, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this $\underline{\mu}$ day of November, 2015 by e-mail:

Ocean Munds-Dry omundsdry@concho.com

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James Bruce