

PEGASUS PLACE, SUITE 2000  
121 WEST THIRD STREET  
POST OFFICE BOX 298  
ROSWELL, N.M. 88202-0298

**Phil Brewer**  
**Paul Snead**

OIL CONSERVATION DIVISION  
RECEIVED

92 JAN 21 10 10 AM '92  
TELEPHONE: 505-625-0298  
FACSIMILE: 505-625-0299

**ATTORNEYS & COUNSELORS**

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January 16, 1992

*Care 10441*

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Oil Conservation Division  
Energy, Minerals and Natural  
Resources Department  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Attn: Mr. Michael Stogner

Re: Application of Manzano Oil Corporation for Compulsory  
Pooling and Unorthodox Location

Dear Mr. Stogner:

Enclosed is the application (in triplicate) of Manzano Oil Corporation for compulsory pooling of all mineral interests and for approval of an unorthodox well location for any and all formations and/or pools developed in and under the S/2SE/4 Section 1, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and for approval of an unorthodox well location at 330 FSL and 1980 FEL of said Section 1. As we discussed, this should be set for hearing on the Examiner's docket for February 6, 1992.

Also enclosed is an Affidavit (in triplicate) regarding the notice of such application.

Thank you for your assistance in this matter. Please let me know if anything else is needed.

Sincerely,

*Debbie Cometti*

Debbie Cometti  
Paralegal to Phil Brewer

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

**IN THE MATTER OF THE APPLICATION  
OF MANZANO OIL CORPORATION FOR  
COMPULSORY POOLING OF ALL MINERAL  
INTERESTS FROM THE SURFACE TO THE  
BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1,  
TOWNSHIP 16 SOUTH, RANGE 36 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO**

Case No. 10441

**APPLICATION**

Manzano Oil Corporation, through its undersigned attorneys, hereby makes application for compulsory pooling of all mineral interests from the surface to the base of the Strawn formation, for any and all formations and/or pools developed on 80-acre spacing in and under the S/2SE/4 Section 1, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and for approval of an unorthodox well location, and in support thereof states:

1. Applicant is the owner of farmout rights covering 90% of the working interest in and under the S/2SE/4 Section 1 and proposes to drill a well at an unorthodox location located 330 feet from the South line and 1980 feet from the East line of said Section 1 to test the Strawn formation.

2. Applicant seeks an exception to the well location requirements of Division Rule 104 to permit the drilling of the well at the above-described unorthodox location to a depth to adequately test the Strawn formation.

3. Applicant proposes to dedicate a standard 80 acre spacing or proration unit to this well, all as above described. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest

owners in that proposed 80 acre unit except for Bechtel Energy Partners, Ltd., the owner of the remaining 10% working interest.

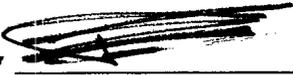
4. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well.

5. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 6, 1992, and that after notice and hearing as required by law and the rules of the Division, the Division enter its order approving the unorthodox location and pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by Applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper.

Respectfully submitted,

PHIL BREWER  
PAUL SNEAD

By 

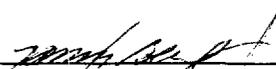
Phil Brewer  
P.O. Box 298  
Roswell, New Mexico 88202-0298  
(505) 625-0298

Attorneys for Manzano Oil Corporation

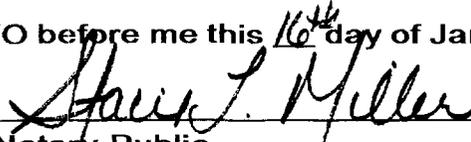
STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF CHAVES     )

CERTIFICATION

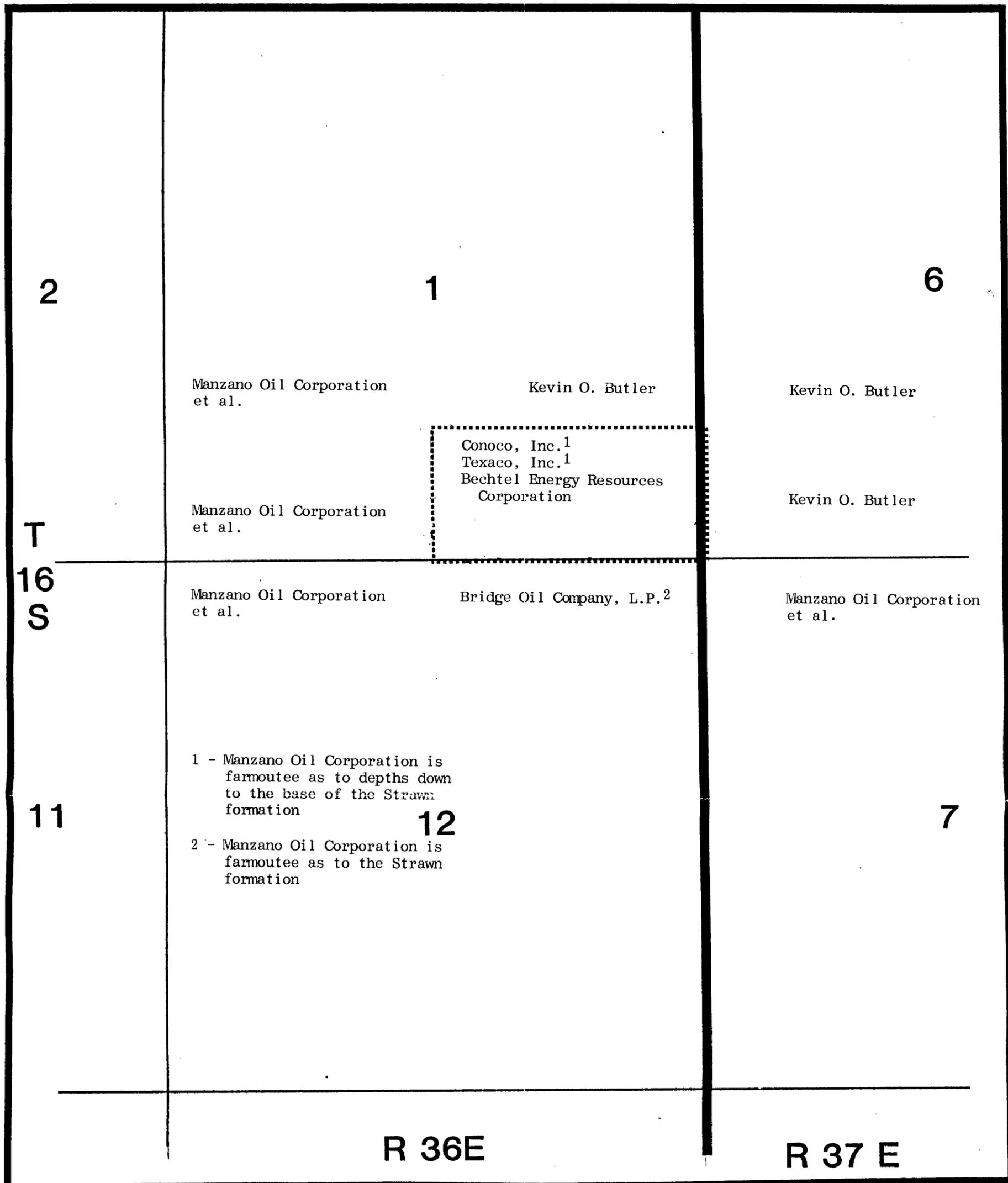
The undersigned hereby certifies that the plat attached hereto contains true and correct information to the best of his knowledge and belief.

  
\_\_\_\_\_  
Ken Barbe, Vice-President  
Manzano Oil Corporation

SUBSCRIBED AND SWORN TO before me this <sup>16<sup>th</sup></sup> day of January, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
9-29-94



- 1 - Manzano Oil Corporation is farmouttee as to depths down to the base of the Strawn formation
- 2 - Manzano Oil Corporation is farmouttee as to the Strawn formation

**MANZANO OIL CORPORATION**  
**LOVINGTON NE. PENN FIELD**  
 and  
**LOVINGTON NE. WOLFCAMP FIELD**  
 Lea County, New Mexico

**APPLICATION FOR LOCATION EXCEPTION**

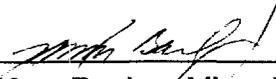
Proposed Location  
 330 ft. FSL and 1980 ft. FEL  
 Section 1, T-16-S, R-36-E

Scale 1" = 1000'

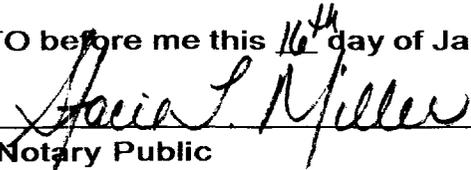
STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF CHAVES     )

CERTIFICATION

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Ken Barbe, Vice-President  
Manzano Oil Corporation

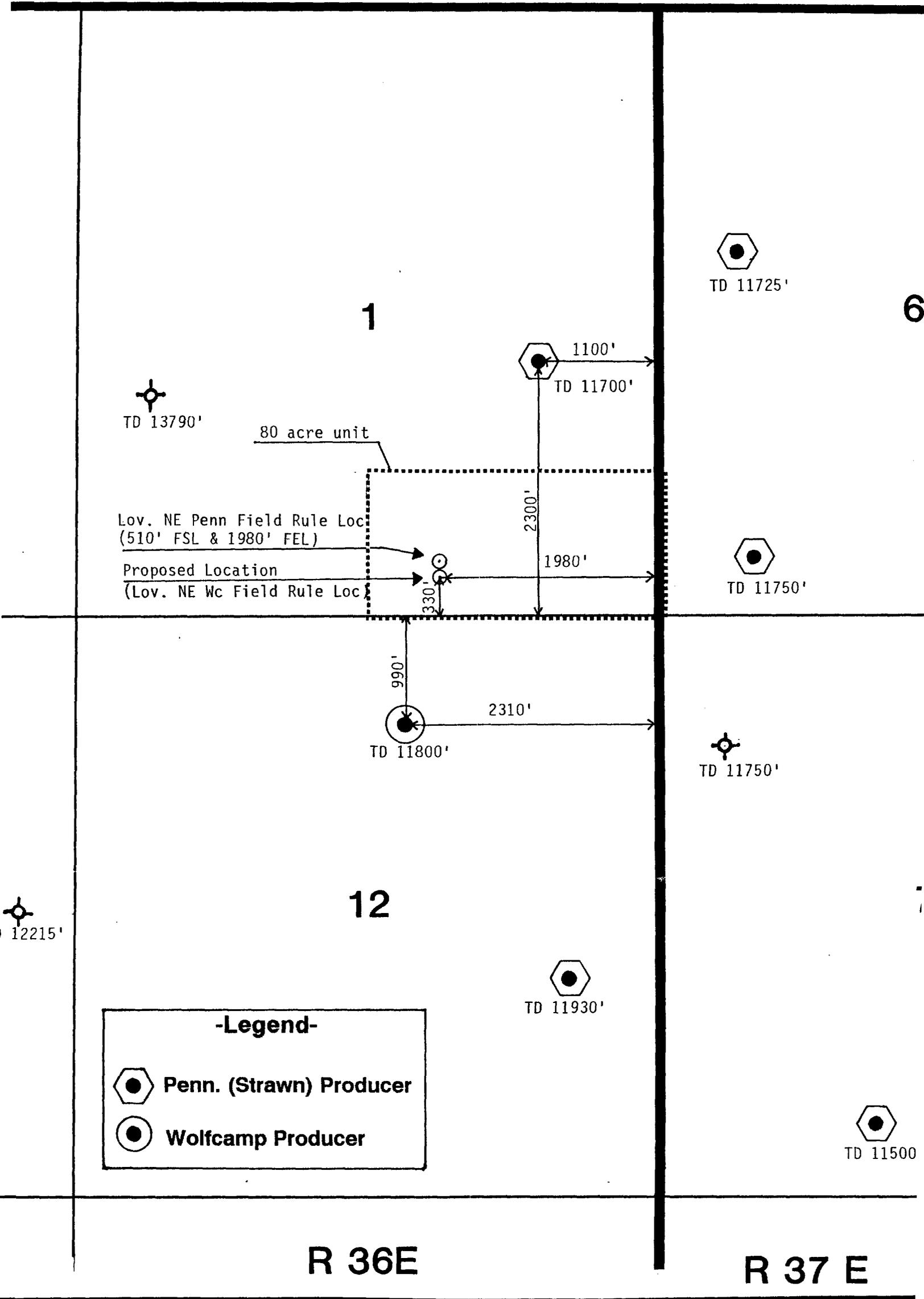
SUBSCRIBED AND SWORN TO before me this <sup>16<sup>th</sup></sup> day of January, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

9-29-94

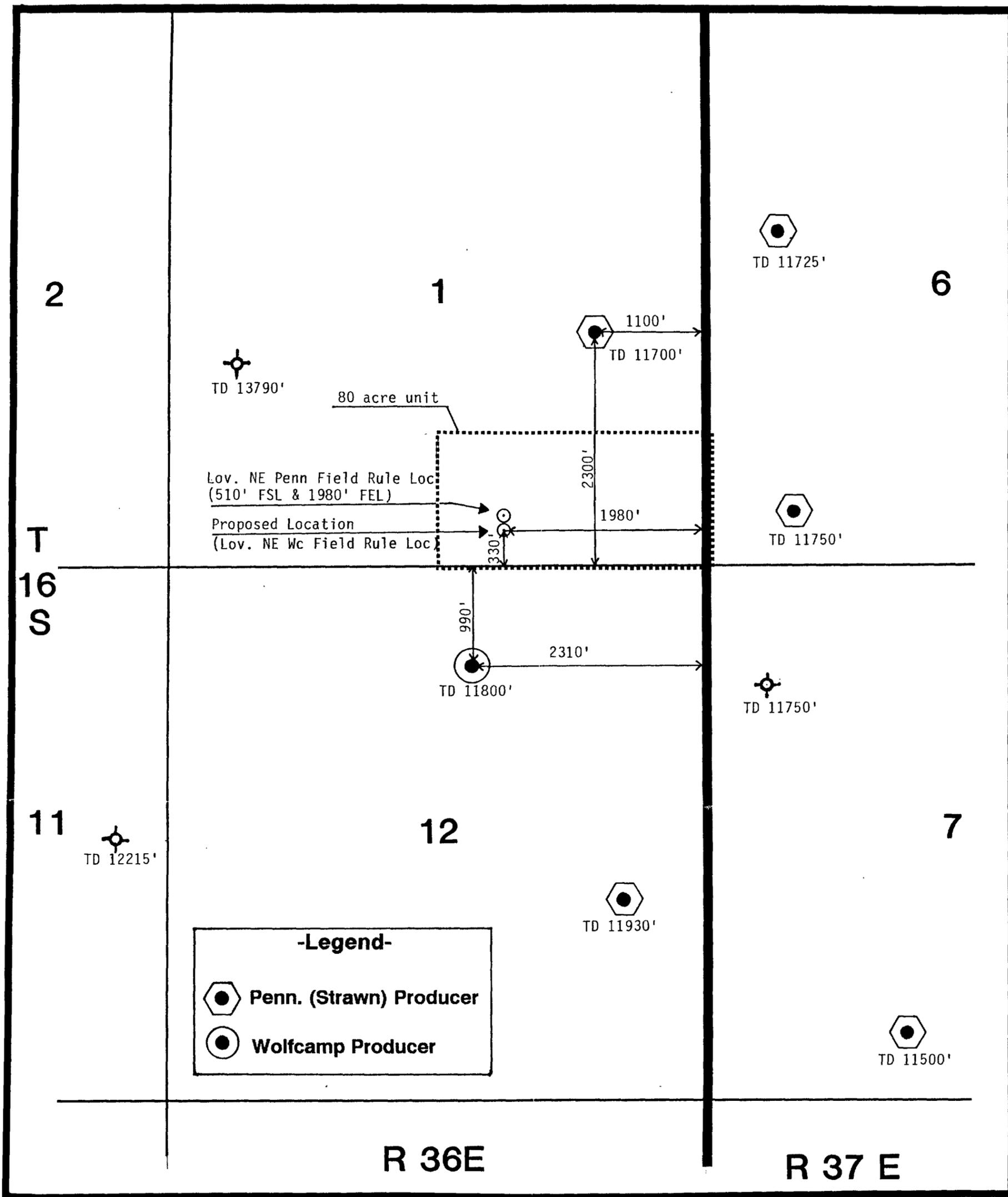
WELL LOCATION PLAT



MANZANO OIL CORPORATION

LOVINGTON NE. PENN FIELD

and



**MANZANO OIL CORPORATION**

**LOVINGTON NE. PENN FIELD  
and  
LOVINGTON NE. WOLFCAMP FIELD  
Lea County, New Mexico**

**APPLICATION FOR LOCATION EXCEPTION**

**Proposed Location  
330 ft. FSL and 1980 ft. FEL  
Section 1, T-16-S, R-36-E**

**Scale 1" = 1000'**

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

IN THE MATTER OF THE APPLICATION  
OF MANZANO OIL CORPORATION FOR  
COMPULSORY POOLING OF ALL MINERAL  
INTERESTS FROM THE SURFACE TO THE  
BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1,  
TOWNSHIP 16 SOUTH, RANGE 36 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO

Case No. 10441

APPLICATION

Manzano Oil Corporation, through its undersigned attorneys, hereby makes application for compulsory pooling of all mineral interests from the surface to the base of the Strawn formation, for any and all formations and/or pools developed on 80-acre spacing in and under the S/2SE/4 Section 1, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and for approval of an unorthodox well location, and in support thereof states:

1. Applicant is the owner of farmout rights covering 90% of the working interest in and under the S/2SE/4 Section 1 and proposes to drill a well at an unorthodox location located 330 feet from the South line and 1980 feet from the East line of said Section 1 to test the Strawn formation.

2. Applicant seeks an exception to the well location requirements of Division Rule 104 to permit the drilling of the well at the above-described unorthodox location to a depth to adequately test the Strawn formation.

3. Applicant proposes to dedicate a standard 80 acre spacing or proration unit to this well, all as above described. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest

owners in that proposed 80 acre unit except for Bechtel Energy Partners, Ltd., the owner of the remaining 10% working interest.

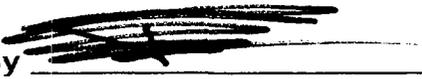
4. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well.

5. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 6, 1992, and that after notice and hearing as required by law and the rules of the Division, the Division enter its order approving the unorthodox location and pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by Applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper.

Respectfully submitted,

PHIL BREWER  
PAUL SNEAD

By 

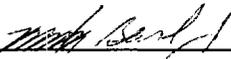
Phil Brewer  
P.O. Box 298  
Roswell, New Mexico 88202-0298  
(505) 625-0298

Attorneys for Manzano Oil Corporation

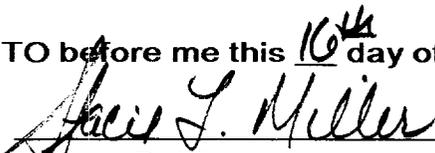
STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF CHAVES        )

**CERTIFICATION**

The undersigned hereby certifies that the plat attached hereto contains true and correct information to the best of his knowledge and belief.

  
\_\_\_\_\_  
Ken Barbe, Vice-President  
Manzano Oil Corporation

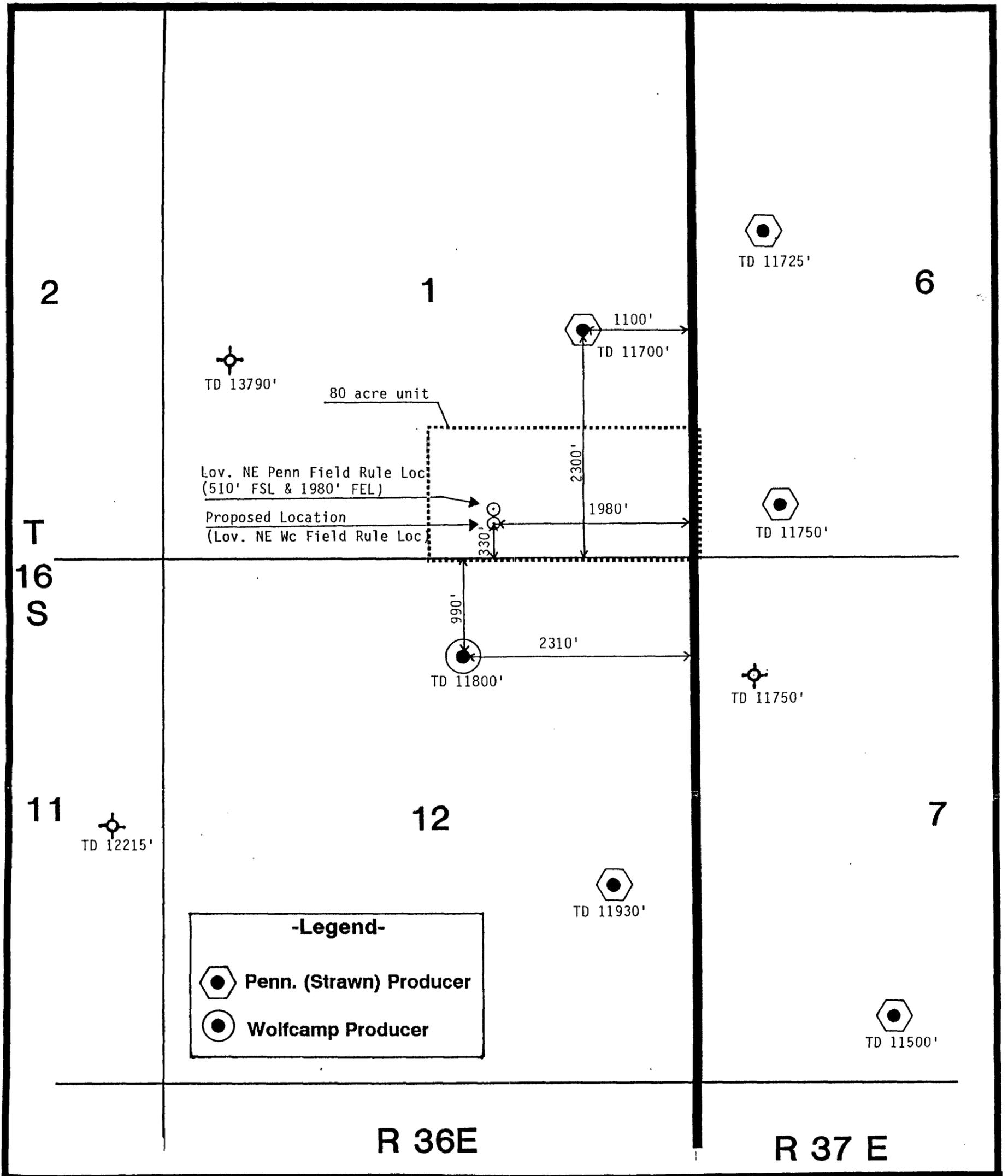
SUBSCRIBED AND SWORN TO before me this 10<sup>th</sup> day of January, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

9-29-94

WELL LOCATION PLAT



**MANZANO OIL CORPORATION**

**LOVINGTON NE. PENN FIELD  
and  
LOVINGTON NE. WOLFCAMP FIELD  
Lea County, New Mexico**

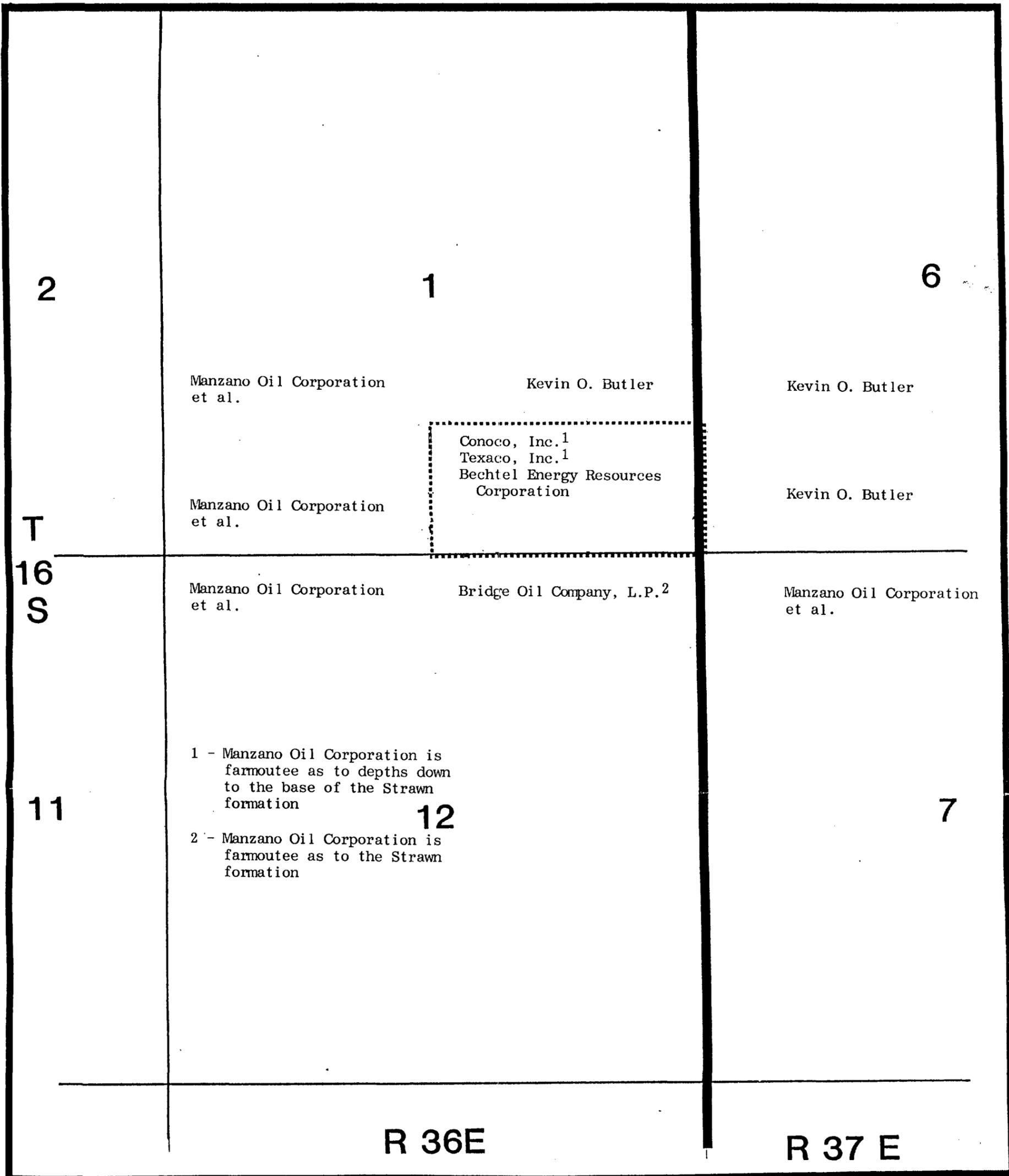
**APPLICATION FOR LOCATION EXCEPTION**

**Proposed Location  
330 ft. FSL and 1980 ft. FEL  
Section 1, T-16-S, R-36-E**

**Scale 1" = 1000'**



OWNERSHIP PLAT



**MANZANO OIL CORPORATION**

**LOVINGTON NE. PENN FIELD  
and  
LOVINGTON NE. WOLFCAMP FIELD  
Lea County, New Mexico**

**APPLICATION FOR LOCATION EXCEPTION**

Proposed Location  
330 ft. FSL and 1980 ft. FEL  
Section 1, T-16-S, R-36-E

Scale 1" = 1000'



**EXHIBIT "A"**

**Bechtel Energy Partners, Ltd.  
P.O. Box 4253  
Houston, Texas 77210-4253**

**Bridge Oil Company, L.P.  
P.O. Box 880269  
Dallas, Texas 75388-0269**

**Kevin O. Butler  
P.O. Box 1171  
Midland, Texas 79702**

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

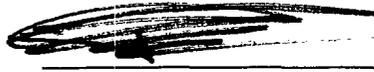
IN THE MATTER OF THE APPLICATION  
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COMPULSORY POOLING OF ALL MINERAL  
INTERESTS FROM THE SURFACE TO THE  
BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1,  
TOWNSHIP 16 SOUTH, RANGE 36 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO

Case No. 10441

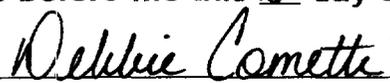
AFFIDAVIT

STATE OF NEW MEXICO     )  
  ) ss.  
COUNTY OF CHAVES        )

Phil Brewer, attorney in fact and authorized representative of Manzano Oil Corporation, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given at the correct addresses provided by such rule.

  
\_\_\_\_\_  
PHIL BREWER

SUBSCRIBED AND SWORN to before me this 16<sup>th</sup> day of January, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

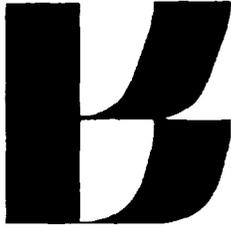
June 18, 1992

## **EXHIBIT "A"**

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P.O. Box 4253  
Houston, Texas 77210-4253**

**Bridge Oil Company, L.P.  
P.O. Box 880269  
Dallas, Texas 75388-0269**

**Kevin O. Butler  
P.O. Box 1171  
Midland, Texas 79702**



BRIDGE OIL (U.S.A.) INC.

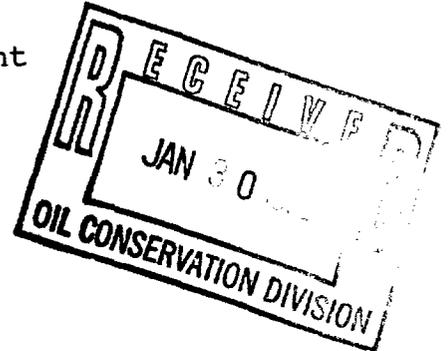
DHL EXPRESS

January 29, 1992

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Attention: Mr. Mike Stogner

Re: Application for Unorthodox Well Location  
Manzano Oil Corporation  
Lea County, New Mexico



Gentlemen:

Please note that Manzano Oil Corporation has scheduled a hearing date of February 6, 1992 with the NMOCD for the approval of an unorthodox well location in Lea County, New Mexico (see attached copy of application).

As you will notice by evidence of the certified mail receipt (copy attached), Bridge Oil Company, L.P. did not receive notice of this application until January 22, 1992. Therefore, due to the lack of time to properly evaluate said application, Bridge, as an offset operator, is hereby requesting that the NMOCD grant a two (2) week continuance until February 20, 1992.

Should this request meet with your approval, please contact me at 214/788-3337.

Thank you.

Sincerely,

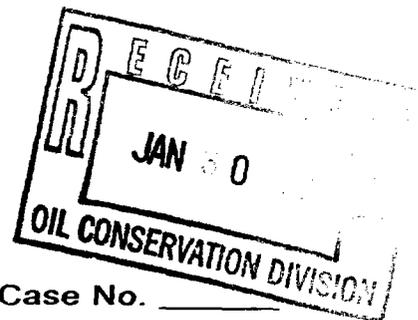
Richard M. Rollow  
District Landman

RMR/cr

cc: Manzano Oil Corporation  
Bahlburg Exploration, Inc.

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

IN THE MATTER OF THE APPLICATION  
OF MANZANO OIL CORPORATION FOR  
COMPULSORY POOLING OF ALL MINERAL  
INTERESTS FROM THE SURFACE TO THE  
BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1,  
TOWNSHIP 16 SOUTH, RANGE 36 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO



APPLICATION

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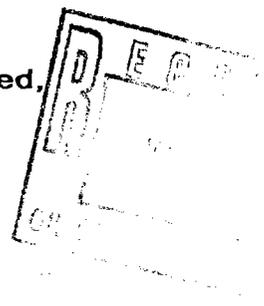
Respectfully submitted,

PHIL BREWER  
PAUL SNEAD

By 

Phil Brewer  
P.O. Box 298  
Roswell, New Mexico 88202-0298  
(505) 625-0298

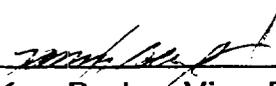
Attorneys for Manzano Oil Corporation



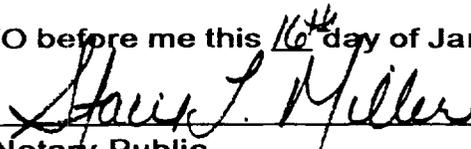
STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF CHAVES     )

CERTIFICATION

The undersigned hereby certifies that the plat attached hereto contains true and correct information to the best of his knowledge and belief.

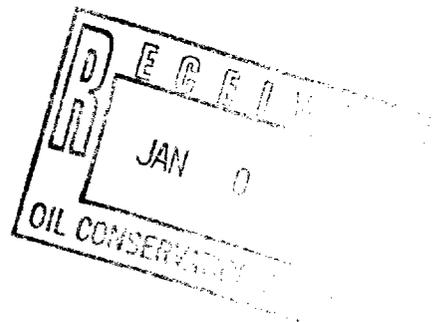
  
\_\_\_\_\_  
Ken Barbe, Vice-President  
Manzano Oil Corporation

SUBSCRIBED AND SWORN TO before me this 16<sup>th</sup> day of January, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

9-29-94



**Plumber**  
**Iron Saver**  
BOX 298  
DALLAS TX 75202-0298

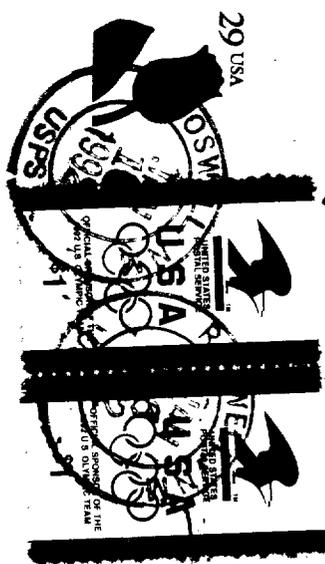
**CERTIFIED**  
P 340 905 492  
**MAIL**

RETURN RECEIPT REQUESTED

**RECEIVED**  
JAN 22 1992  
**BRIDGE OIL**

Bridge Oil Company, L.P.  
P.O. Box 880269  
Dallas, TX 75388-0269

**NO CHECK ENCLOSED**  
**ELG**



**BRIDGE OIL**

**ILLEGIBLE**

PEGASUS PLACE, SUITE 2000  
121 WEST THIRD STREET  
POST OFFICE BOX 298  
ROSWELL, N.M. 88202-0298

# Phil Brewer Paul Sneed

TELEPHONE: 505-625-0298  
FACSIMILE: 505-625-0299

ATTORNEYS & COUNSELORS

---

February 14, 1992

Michael E. Stogner  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504

Re: Case No. 10441, Application for Compulsory Pooling  
and an Unorthodox Well Location. S/2SE/4 of Section 1,  
Township 16 South, Range 36 East, N.M.P.M., Northeast  
Lovington-Pennsylvanian Pool, Lea County, New Mexico

Dear Michael:

Pursuant to our telephone conversation yesterday, I am enclosing original Notice of Partial Withdrawal of Application since satisfactory arrangements have been made between the Applicant and Bechtel Energy Partners, Ltd. Please let me know if this particular pleading needs to be done in duplicate.

Regarding that portion of the application pertaining to unorthodox well location, I am enclosing two structure maps and two cross-section maps for your information. I'm not much of a geologist, but I think that they show that the further north applicant moves in Section 1, the less likely it is that they will encounter producible hydrocarbons in the Wolfcamp formation, which is the primary purpose of their proposed well. The enclosed maps unfortunately don't show much likelihood of a producing Strawn well being encountered, but the farmouts under which applicant derives its interest require the well to be drilled to this deeper depth and so this will be done, hopefully in a manner that will not require the drilling of an improbable Strawn well 330' north of the proposed location and a probable Wolfcamp well at the proposed location (which is orthodox as to the Wolfcamp). While Bridge Oil Company, L.P., the operator of the lease immediately south of the proposed well, would certainly be affected by the Division granting the application, we will be sending you (probably by telecopy on Monday) a Waiver signed by them to said application, along with similar Waivers from other offset owners who are likely not as affected.

92 FEB 17 PM 10 19  
OIL CONSERVATION DIVISION

**Mr. Stogner**  
**February 14, 1992**  
**Page 2**

**We would appreciate your consideration as to whether the remaining portion of the application can be handled administratively without the necessity for a hearing next Thursday. Please advise if we may assist you in any further way. The enclosed maps contain certain proprietary information that applicant certainly has no problem with your seeing, but to the extent that the same may constitute some portion of the official record and thereby constitute public domain, please advise and we will substitute redacted versions of these maps for that purpose.**

**Thank you again for your cooperation with regard to the above.**

**Very truly yours,**



**Phil Brewer**

**PB:dc**

**Encl.**

**cc: Manzano Oil Corp.**

**92 FEB 17 AM 10 16**  
**OIL CONSERVATION DIVISION**  
**RECEIVED**

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

IN THE MATTER OF THE APPLICATION  
OF MANZANO OIL CORPORATION FOR  
COMPULSORY POOLING OF ALL MINERAL  
INTERESTS FROM THE SURFACE TO THE  
BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1,  
TOWNSHIP 16 SOUTH, RANGE 36 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO

Case No. 10441

NOTICE OF PARTIAL WITHDRAWAL OF APPLICATION

Applicant hereby serves notice that it is withdrawing the above styled application insofar as it seeks compulsory pooling of all mineral interests from the surface to the base of the Strawn formation underlying the S/2SE/4 Section 1, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico. Said application is not withdrawn insofar as it seeks approval of an unorthodox well location 1980' FEL and 330' FSL Section 1.

PHIL BREWER  
PAUL SNEAD

By 

Phil Brewer

Attorneys for Applicant

92 FEB 17 AM 10 16  
OIL CONSERVATION DIVISION  
REC-150

PEGASUS PLACE, SUITE 2000  
121 WEST THIRD STREET  
POST OFFICE BOX 298  
ROSWELL, N.M. 88202-0298

**Phil Brewer**  
**Paul Snead**

*MS.*  
TELEPHONE: 505-625-0298  
FACSIMILE: 505-625-0299

ATTORNEYS & COUNSELORS

---

January 29, 1992

RECEIVED

JAN 31 1992

Mr. Michael Stogner  
Oil Conservation Division  
310 Old Santa Fe Trail  
Room 206  
State Land Office Building  
Santa Fe, NM 87501

OIL CONSERVATION DIVISION FEDERAL EXPRESS

Re: Case No. 10441 - Application of Manzano Oil Corporation for  
Compulsory Pooling

Dear Mr. Stogner:

Enclosed is an original and two copies of the Pre-Hearing Statement  
in the above referenced matter pursuant to Memorandum dated 2-90.

Sincerely,

*Debbie Cometti*  
Debbie Cometti  
Paralegal to Phil Brewer

Encls.

cc: Manzano Oil Corporation (w/encl.)

Bridge Oil Company, L.P. (w/encl.)

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:

RECEIVED

JAN 31 1972

CASE NO. 10441 OIL CONSERVATION DIVISION

APPLICATION OF

MANZANO OIL CORPORATION FOR COMPULSORY  
POOLING OF ALL MINERAL INTERESTS FROM THE  
SURFACE TO THE BASE OF THE STRAWN FORMATION  
UNDERLYING THE S/2SE/4 SECTION 1, TOWNSHIP  
16 SOUTH, RANGE 36 EAST, N.M.P.M., LEA COUNTY,  
NEW MEXICO

PRE-HEARING STATEMENT

This prehearing statement is submitted by Applicant  
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Manzano Oil Corporation

P.O. Box 2107

Roswell, NM 88202

(505) 623-1996

Ken Barbe

name, address, phone and  
contact person

OPPOSITION OR OTHER PARTY

See attached list.

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\_\_\_\_\_

\_\_\_\_\_

name, address, phone and  
contact person

ATTORNEY

Phil Brewer

P.O. Box 298

Roswell, NM 88202

(505) 625-0298

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ATTORNEY

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STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

1. Applicant seeks an Order force pooling the 10% working interest of Bechtel Energy Partners in the S/2SE/4 Section 1, Township 16 South, Range 36 East, N.M.P.M., because reasonable efforts to commit this interest to Applicant's proposed well have been to no avail.
2. Applicant seeks an Order allowing its proposed Strawn well to be located at an unorthodox location 330 FSL and 1980 FEL Section 1 since (a) the Wolfcamp formation is expected to be productive and the proposed location is orthodox as to this formation, and (b) the offset owner most affected by the unorthodox location, Bridge Oil, has farmed out its rights in the Strawn formation to Applicant.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

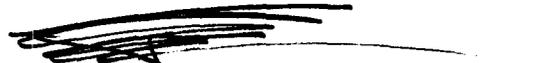
<b>WITNESSES</b> (Name and expertise)	<b>EST. TIME</b>	<b>EXHIBITS</b>
William C. Bahlburg, an expert landman and geologist who has previously testified as such before the OGD	30 minutes	A - Ownership Plat B - Well Location Plat

OPPOSITION

<b>WITNESSES</b> (Name and expertise)	<b>EST. TIME</b>	<b>EXHIBITS</b>
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**PROCEDURAL MATTERS**  
(Please identify any procedural matters which need to be resolved prior to the hearing)

None.

  
Signature

ATTACHMENT TO  
PRE-HEARING STATEMENT

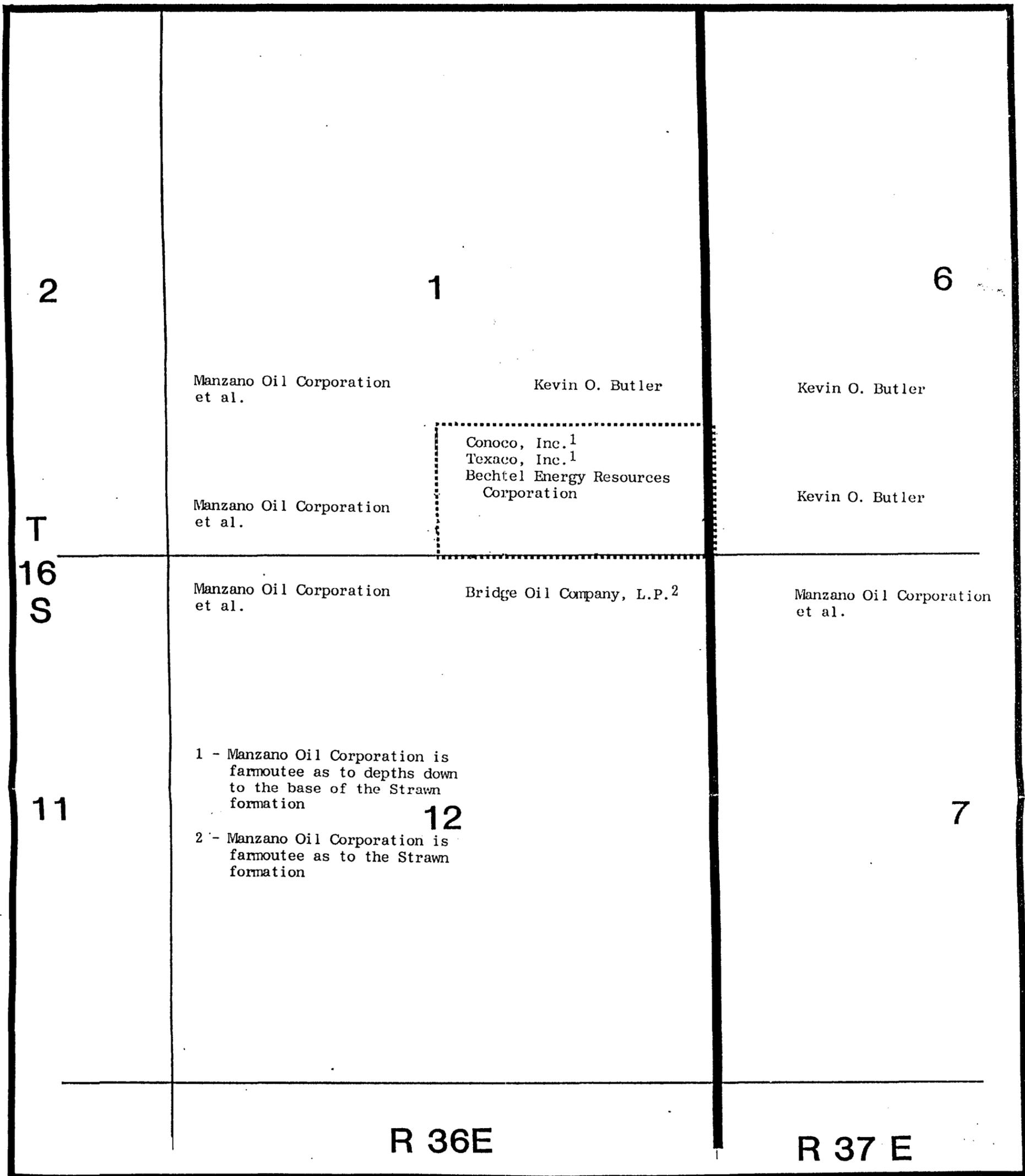
Appearances of Parties

OPPOSITION OR OTHER PARTY

Bechtel Energy Partners, Ltd.  
P.O. Box 4253  
Houston, TX 77210-4253

Bridge Oil Company, L.P.  
P.O. Box 880269  
Dallas, TX 75388-0269  
Richard M. Rollow, District Landman  
(214) 788-3300

Kevin O. Butler  
P.O. Box 1171  
Midland, TX 79702



**MANZANO OIL CORPORATION**

**LOVINGTON NE. PENN FIELD  
and  
LOVINGTON NE. WOLFCAMP FIELD  
Lea County, New Mexico**

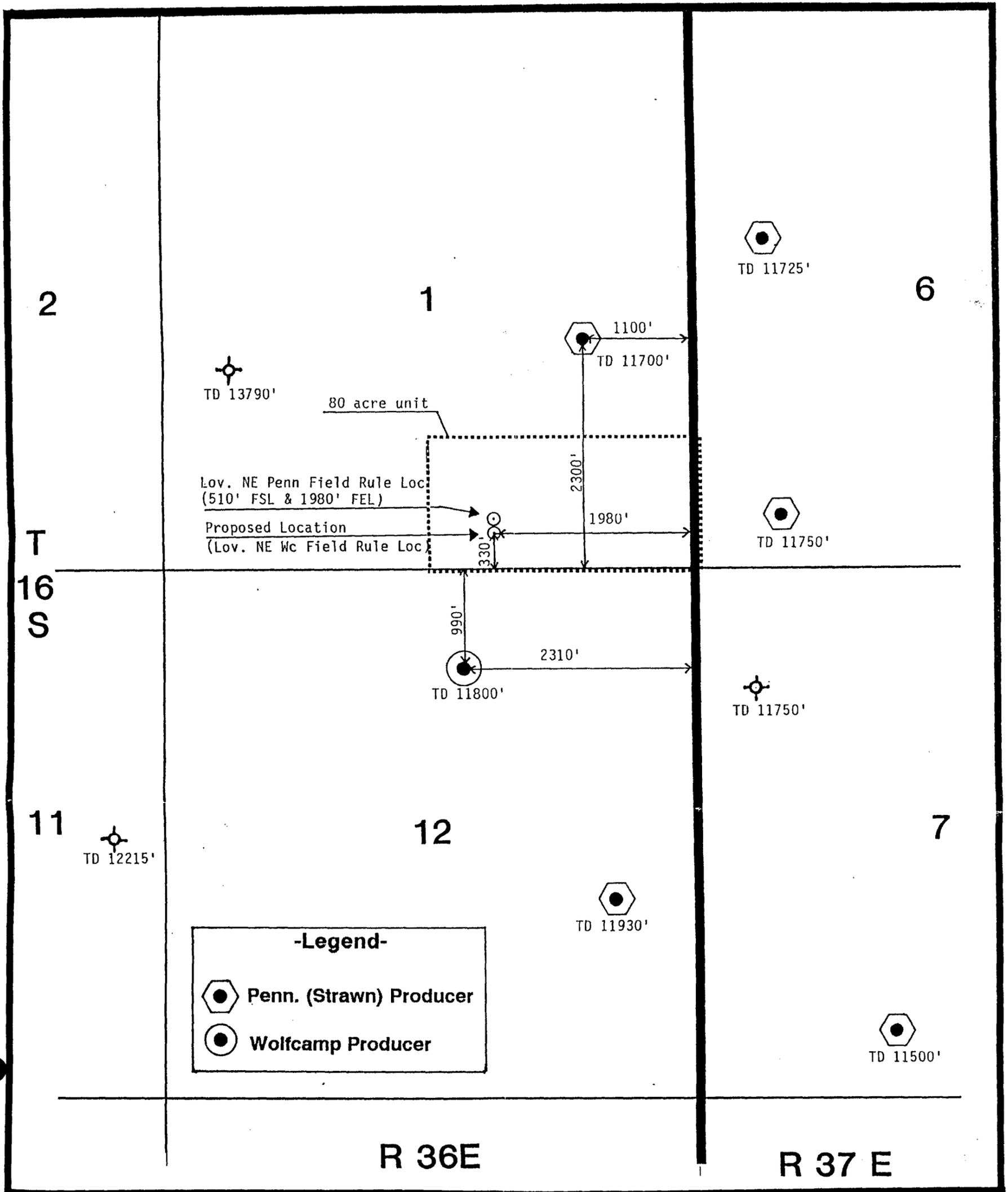
**APPLICATION FOR LOCATION EXCEPTION**

Proposed Location  
330 ft. FSL and 1980 ft. FEL  
Section 1, T-16-S, R-36-E

Scale 1" = 1000'

EXHIBIT "A"

WELL LOCATION PLAT



**MANZANO OIL CORPORATION**

**LOVINGTON NE. PENN FIELD  
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**EXHIBIT "B"**

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

IN THE MATTER OF THE HEARING  
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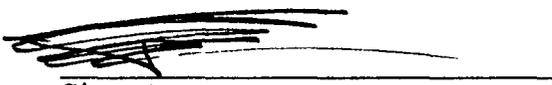
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PROCEDURAL MATTERS

(Please identify any procedural matters which  
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None.

  
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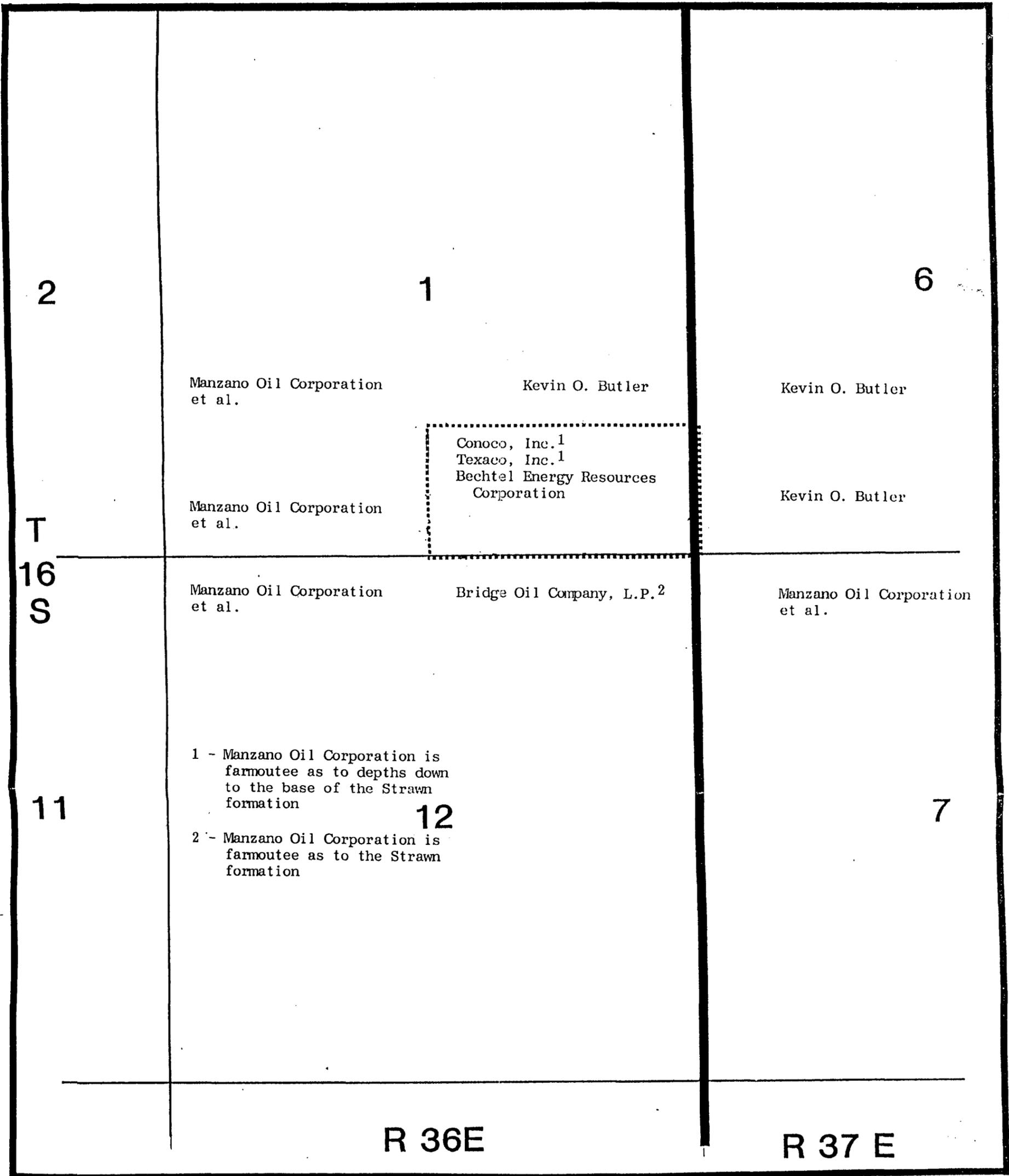
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Kevin O. Butler  
P.O. Box 1171  
Midland, TX 79702



- 1 - Manzano Oil Corporation is farmoutee as to depths down to the base of the Strawn formation
- 2 - Manzano Oil Corporation is farmoutee as to the Strawn formation

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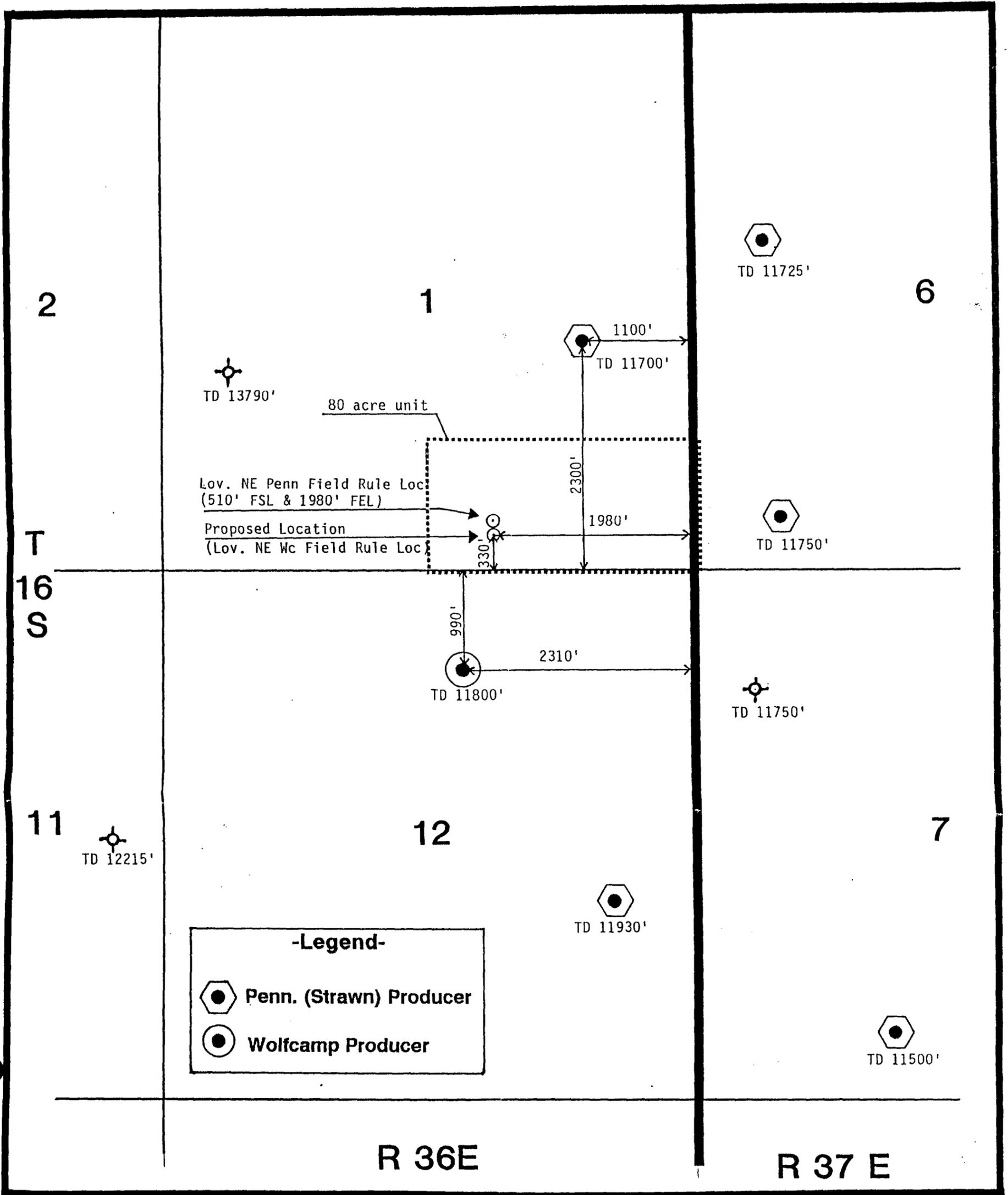
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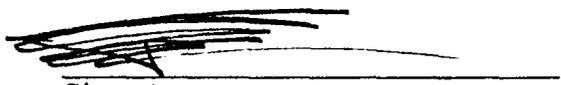
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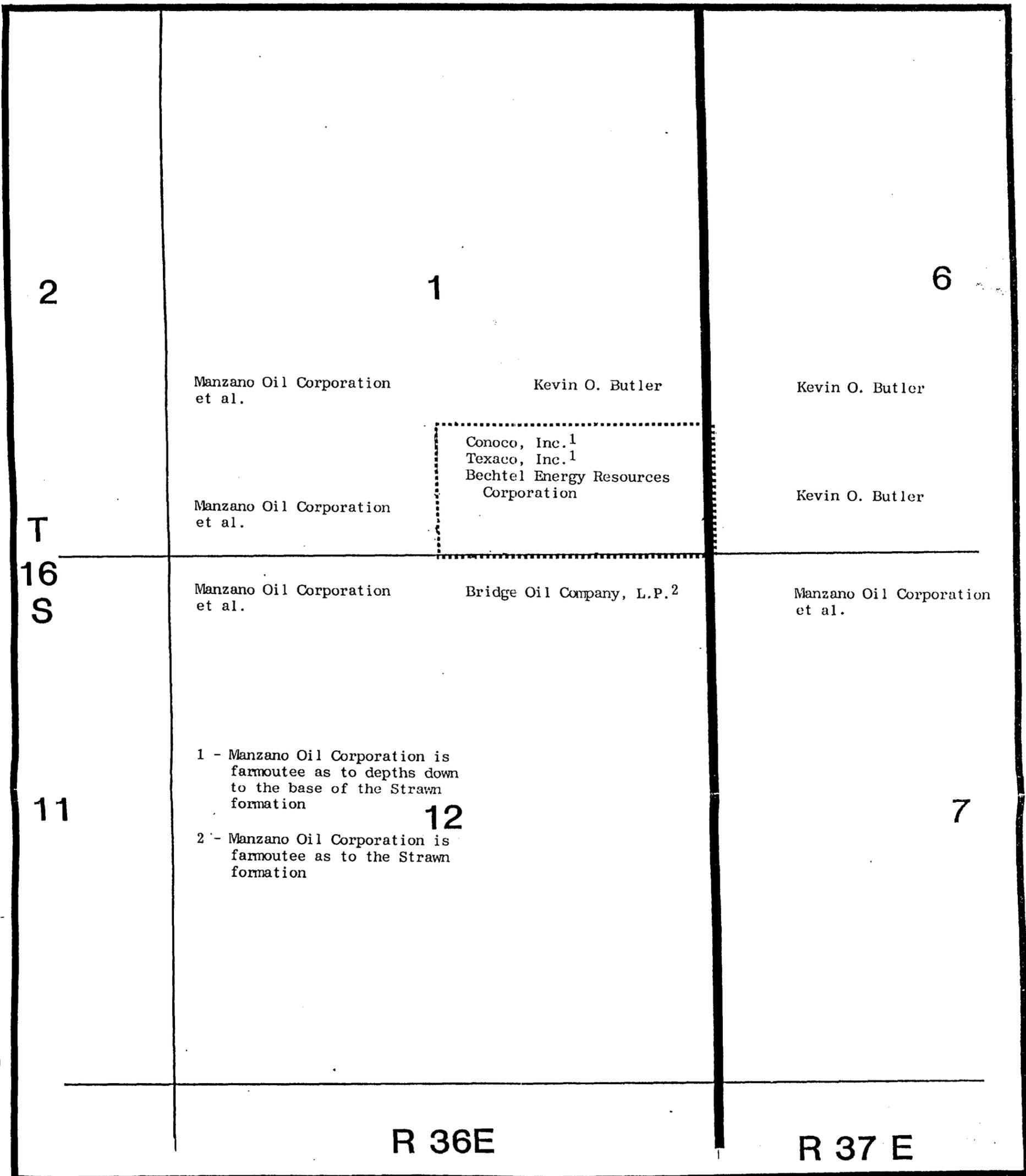
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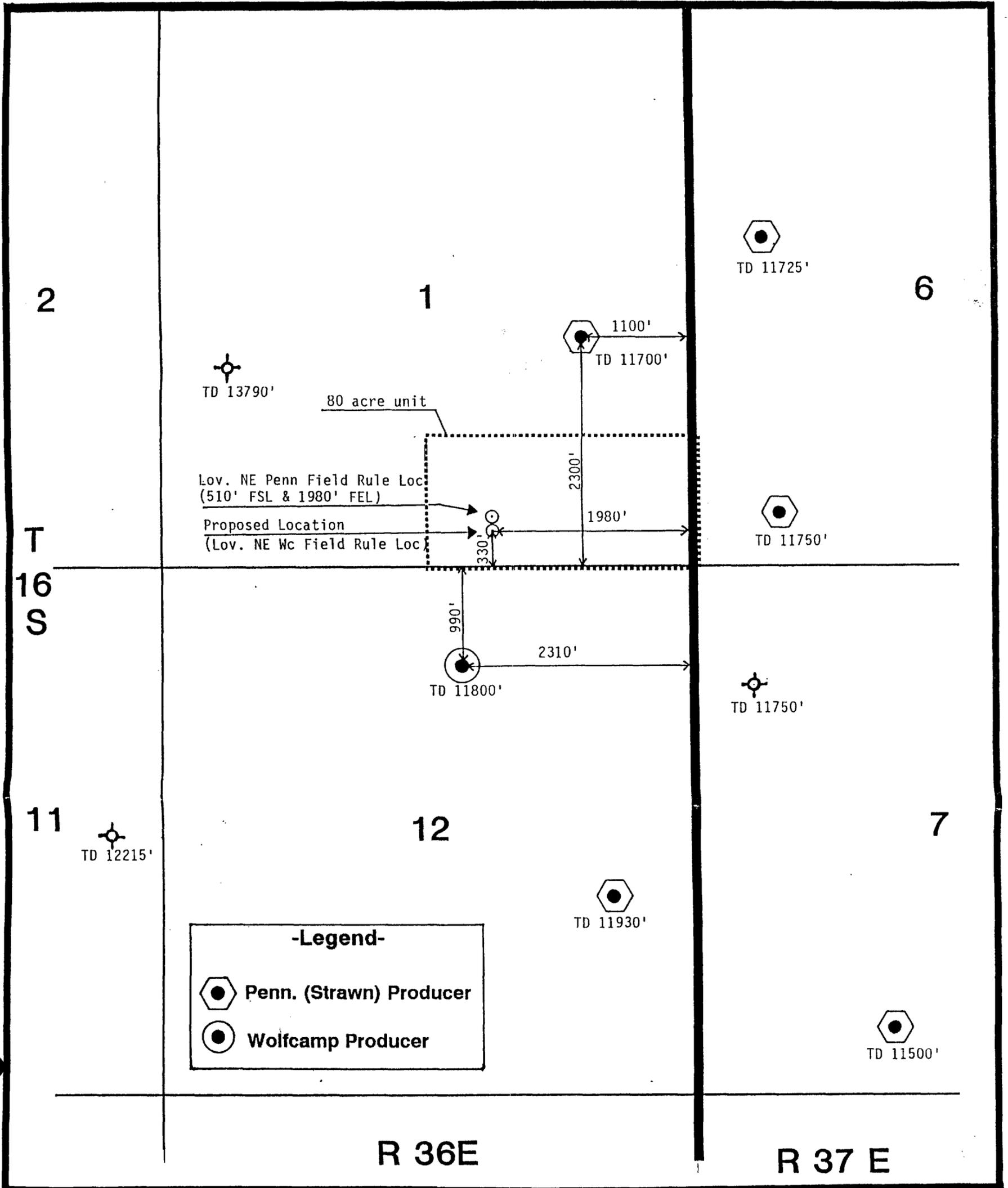
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