

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

**APPLICATION OF STEWARD ENERGY II, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 25003

PRE-HEARING STATEMENT

Steward Energy II, LLC (“Steward” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division (“Division”).

APPEARANCES

APPLICANT

Steward Energy II, LLC

ATTORNEYS

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INTERESTED PARTIES

None at this time.

ATTORNEYS

STATEMENT OF THE CASE

Steward seeks an order pooling all uncommitted interests in the San Andres formation underlying a 479.62-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 2 and the NW/4 of Section 11, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the **Vince Fed Com 5H** well (“Well”), which will be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 35, Township 12 South, Range 38 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 11, Township 13 South, Range 38 East.

The completed interval of the Well will be orthodox and will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Section 2 and the W/2 NW/4 and E/2 NW/4 of Section 11 to allow for the creation of a 479.62-acre standard horizontal spacing unit.

Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 14.5 miles SE of Tatum, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Cooper Newlan	Landman	Affidavit	Approx. 5
James Vess	Geologist	Affidavit	Approx. 2

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR LLP

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State of New Mexico
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Oil Conservation Division
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QUESTIONS

Action 415435

QUESTIONS

Operator: STEWARD ENERGY II, LLC 777 Taylor Street Fort Worth, TX 76102	OGRID: 371682
	Action Number: 415435
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>