

**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:**

**APPLICATION OF MANZANO LLC FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 21894

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Manzano LLC
P.O. Box 1737
Roswell, New Mexico 88202

Attention: Nick McClelland
(575) 623-1996

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

Manzano LLC seeks an order of all mineral interests in the San Andres formation underlying a (proximity tract) horizontal spacing unit comprised of the W/2 of Section 23 and the W/2 of Section 14, Township 12 South, Range 38 East, NMPM. The unit will be dedicated to the Trinity State Com. Well No. 4H, to be drilled to a depth sufficient to test the San Andres formation, and to dedicate the W $\frac{1}{2}$ of Section 23 and the W $\frac{1}{2}$ of Section 14 to the well. The well is a horizontal well, with a first take point 100 feet from the south line and 1425 feet from the west line (in the SE $\frac{1}{4}$ SW $\frac{1}{4}$) of Section 23, and a last take point 100 feet from the north line and 1204 feet from the west line (in the NW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 14. 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 cost plus 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Nick McClelland (landman)	10 min.	Approx. 6
John Worrall (geologist)	10 min.	Approx. 4

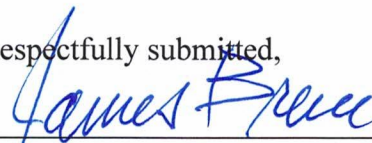
OPPONENTS

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

If unopposed, applicant intends to present the case by affidavit.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company