

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

**APPLICATION OF MANZANO LLC TO AMEND ORDER NO. R-21572-A TO  
MODIFY AND EXPAND THE GEOGRAPHIC AREA OF THE VINDICATOR  
CANYON STATE EXPLORATORY UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22668**

**MANZANO, LLC’S PRE- HEARING STATEMENT**

Manzano, LLC (“Manzano”) (OGRID No. 231429) submits this pre-hearing statement as required by the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Manzano, LLC  
300 West 2nd Street  
Roswell, NM 88202-1737

**ATTORNEY**

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Holland & Hart LLP  
Post Office Box 2208  
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**APPLICANT’S STATEMENT OF THE CASE**

Manzano seeks to amend Order No. R-21572-A to modify and expand the geographic area of the Vindicator Canyon State Exploratory Unit. This Unit currently consists of approximately 6,960 acres of state lands in Lea County. Manzano has recently executed transactions in Township 17 South, Range 36 East that warrant (a) removal of the E/2 of Section 30 and the E/2 NE/4 of Section 31 from the Unit, and (b) the addition of all of Section 21 to the Unit. This will result in a net expansion of unitized area by 240-acres. The expanded Unit will now consist of approximately 7,200 acres comprised of the following state lands in Lea County:

**TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.**

- Section 14: SW/4
- Section 15: ALL
- Section 20: ALL
- Section 21: ALL
- Section 22: ALL
- Section 23: S/2, NW/4
- Section 26: ALL
- Section 27: ALL
- Section 28: ALL
- Section 29: ALL
- Section 32: N/2, SW/4
- Section 33: NE/4
- Section 34: E/2 E/2
- Section 35: ALL

All other aspects of the Unit and the governing Unit Agreement approved by Order R-21572 remain the same.

The New Mexico State Land Office has been contacted about this modification to the Unit and has expressed approval of this change. Approval of this modification and expansion will provide Manzano the flexibility to locate and drill wells in the Unit to maximize recovery of oil and gas from the unitized interval, thereby preventing waste, and will provide the applicant latitude to conduct operations in an effective and efficient manner within the Unit.

**PROPOSED EVIDENCE**

<b>WITNESSES Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Nick C. McClelland, Landman	Affidavit	Approx. 4

**PROCEDURAL MATTERS**

Manzano does not expect opposition at hearing and therefore intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 95057

**QUESTIONS**

Operator: MANZANO LLC P.O. Box 1737 Roswell, NM 88202	OGRID: 231429
	Action Number: 95057
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<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>