

**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. 23099

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.

ATTORNEYS

STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted interests in the San Andres formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Section 28, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the **Winnebago Fee 5H** well (“Well”), which will be horizontally drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28, Township 13 South, Range

38 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, 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 28 to allow for the creation of a 320-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 13.5 miles southeast of Tatum, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Taylor Warren	Landman	Affidavit	Approx. 5
Shane Seals	Geologist	Affidavit	Approx. 3

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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