

**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. 23577

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

Applicant applies for an order pooling all uncommitted interests within 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. The spacing unit will be dedicated to the **Vince Federal 5H** well (“Well”), which will be horizontally 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 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 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

/s/ Dana S. Hardy

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 234400

QUESTIONS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 234400
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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