

**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. 23578

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”).

APPLICANT

Steward Energy II, LLC

ATTORNEYS

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INTERESTED PARTY

The William K. Warren Foundation¹

ATTORNEY

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STATEMENT OF THE CASE

Steward seeks an order pooling all uncommitted interests in the San Andres formation underlying a 265.00-acre, more or less, standard horizontal spacing unit comprised of the E/2 of irregular Section 11, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the Gale Federal 2H well (“Well”), which will be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 2, Township 13 South, Range

¹ Steward and the William K. Warren Foundation have reached an agreement, and Steward is no longer seeking to pool the foundation’s interest.

38 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11, Township 13 South, Range 38 East. The completed interval of the Well will be located within 330' of the quarter-quarter section line separating the W/2 E/2 and E/2 E/2 of Section 11 to allow for the creation of a 265.00-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 14.8 miles southeast of Tatum, New Mexico

PROPOSED EVIDENCE

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

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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Counsel for Steward Energy II, LLC

CERTIFICATE OF SERVICE

I hereby certify that on September 28, 2023, I served a true and correct copy of the foregoing pleading on the following counsel of record by electronic mail:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 269911

QUESTIONS

Operator: STEWARD ENERGY II, LLC 2600 Dallas Parkway Frisco, TX 75034	OGRID: 371682
	Action Number: 269911
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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