

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

**APPLICATION OF CANO PETRO OF
NEW MEXICO, INC. FOR WATERFLOOD
PERMIT, CHAVES COUNTY, NEW MEXICO**

2 MAY 8 PM 4 11

Case No. 14,128

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**APPLICANT CANO PETRO OF NEW MEXICO, INC.'S
PREHEARING STATEMENT**

Pursuant to 19.15.14.1211(B) NMAC, applicant Cano Petro of New Mexico, Inc. ("Cano") submits its Prehearing Statement.

I. Parties

Cano is the applicant and is represented by the undersigned counsel, Gary W. Larson of the Santa Fe office of Hinkle, Hensley, Shanor & Martin, L.L.P. Cano is not aware of any other parties that have entered an appearance in this case.

II. Concise Statement of the Case

In its application, Cano seeks an order authorizing Cano to implement a waterflood project in the Cato San Andres Unit in portions of Sections 2, 10, 12, 13, 15, and 23 and all of Sections 11 and 14, T8S, R30E in Chaves County.

III. Cano's Witnesses

Cano will present the following three witnesses to testify in support of its application:

1. Pat McKinney, who serves as Cano's Vice President of Operations
2. Alex Azizi-Yarand, who is employed by Cano as a Senior Engineer
3. Keith Masters, P.E., who is the President of Masters Consulting, LLC and has been retained by Cano as a consultant for purposes of the application

IV. Cano's Case Presentation

Cano anticipates that it will take approximately two (2) hours to present its case.

V. Unresolved Procedural Matters

Cano is not aware of any procedural matters that need to be resolved prior to the hearing.

Respectfully submitted,

HINKLE, HENSLEY, SHANOR & MARTIN, LLP

A handwritten signature in black ink, appearing to read "Gary W. Larson", is written over a horizontal line.

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*Attorneys for Applicant Cano Petro of New Mexico,
Inc.*