

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

**IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION DIVISION FOR THE PURPOSES
OF CONSIDERING:**

CASE NO. 14788

**APPLICATION OF CAZA PETROLEUM, INC. FOR
APPROVAL OF THE LENNOX STATE EXPLORATORY
UNIT, LEA, COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Caza Petroleum, Inc.

ATTORNEY

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STATEMENT OF CASE

Applicant seeks an order approving the Lennox State Exploratory Unit, comprising of All Section 32, the N/2 of Section 33, All of Section 34 and the N/2 of Section 35, Township 22 South, Range 35 East, NMPM in Lea County. Caza Petroleum is proposing to drill the pilot hole for the Lennox State Unit #1H, an upper 2nd Bone Spring sand horizontal test, at a legal surface location in either Section 32 or Section 33, T22S, R35E. The Lennox State Unit #1H pilot hole will be drilled to an approximate depth of 11,400', into the top of the Wolfcamp formation. While several zones of interest will be penetrated vertically and evaluated for future development potential, the targeted reservoir for the horizontal leg of the Lennox State Unit #1H is the upper 2nd Bone Spring sand. This area is located in central eastern Lea County, approximately 15 miles southwest of Eunice, New Mexico.

Near "ROCK LAKE" BS OIL POOL
"ROCK LAKE" WC OIL POOL


PROPOSED EVIDENCE

APPLICANT

WITNESSES	ESTIMATED TIME	EXHIBITS
Richard R. Albro, Landman	10 minutes	Approx. 5
John Thoma, Geologist	10 minutes	Approx. 5

PROCEDURAL MATTERS

Caza Petroleum has none at this time.



Michael H. Feldewert
Attorney for Caza Petroleum, Inc.