

RECEIVED OGD  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION FEB 25 P 1:57

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

APPLICATION OF CAZA PETROLEUM, INC.  
FOR A NON-STANDARD SPACING AND  
PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

Case No. 15,437

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

**APPEARANCES**

APPLICANT

Caza Petroleum, Inc.  
Suite 200  
10077 Grogan's Mill Road  
The Woodlands, Texas 77380

Attention: John E. Brown  
(281) 363-4442

APPLICANT'S ATTORNEY

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

OPPONENT

Legacy Reserves LP

COG Operating LLC

OPPONENT'S ATTORNEY

Gary W. Larson

Ocean Munds-Dry

**STATEMENT OF THE CASE**

APPLICANT

Caza Petroleum, Inc. seeks an order approving a non-standard 160-acre spacing and proration unit in the Bone Spring formation comprised of the W/2W/2 of Section 19, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's Igloo 19 State Well No. 7H, to be horizontally drilled from a surface location in the

SW/4SW/4, to a standard bottom hole location in the NW/4NW/4, of Section 19. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Caza Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling the well.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

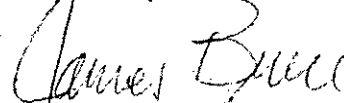
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Jay Brown (landman)	15 min.	Approx. 7
Richard Carroll (geologist)	20 min.	Approx. 8

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

Respectfully submitted,



James Bruce  
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Santa Fe, New Mexico 87504  
(505) 982-2043  
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Attorney for Caza Petroleum, Inc.

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 25<sup>th</sup> day of February, 2016 by e-mail:

Gary W. Larson  
*glarson@hinklelawfirm.com*

Ocean Munds-Dry  
*omundsdry@concho.com*

  
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James Bruce