

HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:

Gary W. Larson,
Partner

glarson@hinklelawfirm.com

July 9, 2018

VIA HAND DELIVERY

Florene Davidson
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

JUL 09 2018 PM 03:10

Case 16341

Re: Manzano, LLC Application

Dear Florene:

Enclosed please find: (i) for filing, the original and one (1) copy of an application by Manzano, LLC for approval of its Morrison San Andres State Exploratory Unit; and (ii) a proposed hearing notice. I will email the proposed hearing notice to you in Word format.

As stated in the application, Manzano requests that the application be placed on the Division's August 9, 2018 hearing docket.

Thank you for your assistance.

Very truly yours,

Gary W. Larson

GWL:jwl
Enclosures

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

**APPLICATION OF MANZANO, LLC
FOR APPROVAL OF THE MORRISON
SAN ANDRES STATE EXPLORATORY UNIT,
ROOSEVELT COUNTY, NEW MEXICO**

Case No. 16341

APPLICATION

Pursuant to 19.15.20.14 NMAC, Manzano, LLC ("Manzano") applies for an order approving its Morrison San Andres State Exploratory Unit ("the Unit"). In support of its application, Manzano states:

1. The proposed Unit Area for the Unit comprises 4,317.44 acres, more or less, of State of New Mexico lands situated in Roosevelt County, described as follows:

Township 6 South, Range 34 East, N.M.P.M.

Section 3: All
Section 4: All
Section 9: N/2 NW/4, SE/4 NW/4, NE/4, and S/2
Section 10: All
Section 11: S/2 N/2 and S/2
Section 14: All
Section 15: All
Section 16: All
Section 21: N/2

2. Manzano (OGRID No. 231429) is the designated operator under the Unit Agreement.

3. The unitized interval is the San Andres formation, defined as the stratigraphic equivalent of the interval between 3,181 feet and 4,523 feet as depicted on the Laterolog dated September 12, 2014 for the Amerstrong Energy Touch of Grey State #1 well (API No. 30-041-

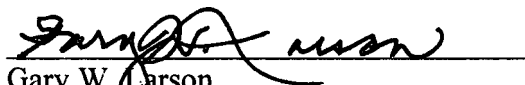
20960) located 1,839 feet from the south line and 417 feet from the west line in Section 15, Township 6 South, Range 34 East, N.M.P.M., in Roosevelt County.

4. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.
5. All oil and gas in the San Andres formation are unitized.
6. The entire Unit Area will be developed and operated as a single participating area.
7. Approval of this application will serve the interests of conservation, protection of correlative rights, and prevention of waste.

WHEREFORE, Manzano requests that (i) this application be set for hearing on August 9, 2018, and (ii) after notice and hearing, the Division enter an order granting this application.

Respectfully submitted,

HINKLE SHANOR LLP



Gary W. Larson
Jared A. Hembree
P.O. Box 2068
Santa Fe, New Mexico 87504-2068
Phone: 505-982-4554
Facsimile: (505) 982-8623
glarson@hinklelawfirm.com
jhembree@hinklelawfirm.com

Attorneys for Manzano, LLC

Case No. 16341 : Application of Manzano, LLC for Approval of the Morrison San Andres State Exploratory Unit, Roosevelt County, New Mexico. Applicant seeks approval of its Morrison San Andres State Exploratory Unit, which comprises 4,317.44 acres, more or less, of State of New Mexico lands situated in all of Sections 3, 4, 10, 14, 15 and 16, the N/2 NW/4, SE/4 NW/4, NE/4, and S/2 of Section 9 and the N/2 of Section 21, Township 6 South, Range 34 East, N.M.P.M., in Roosevelt County. The unitized interval is the San Andres formation, defined as the stratigraphic equivalent of the interval between 3,181 feet and 4,523 feet as depicted on the Laterlog dated September 12, 2014 for the Armstrong Energy Touch of Grey State #1 well (API No. 30-041-20960) located 1,839 feet from the south line and 417 feet from the west line in Section 15, Township 6 South, Range 34 East, N.M.P.M., in Roosevelt County. The unit acreage is located approximately eight (8) miles southwest of Dora, New Mexico.

JUL 09 2018 PM03:11