

**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 PURPOSE OF
CONSIDERING:

CASE NO. 11617

IN THE MATTER OF THE APPLICATION OF
MANZANO OIL CORPORATION
TO AMEND DIVISION ORDER NO. R-10602
BY COMPULSORY POOLING ADDITIONAL
ACREAGE, FOR AN UNORTHODOX WELL
LOCATION, AND FOR CREATION OF TWO
NEW POOLS AND THE PROMULGATION
OF SPECIAL POOL RULES THEREFOR,
LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Manzano Oil Corporation
c/o Ken Barbe
1801 West Second Street
Roswell, New Mexico 88201
(505) 623-1996

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Manzano Oil Corporation, applicant in the above-styled cause, seeks the creation of two new oil pools for the production of oil from the Wolfcamp and Strawn formations, both pools to comprise the N/2 SW/4 of Section 11, Township 16 South, Range 36 East, and the promulgation of special rules and regulations therefor including provisions for 80-acre spacing and proration units and designated well location requirements. Applicant further seeks to amend Division Order No. R-10602, dated May 23, 1996 to include provisions compulsory pooling all mineral interests in both the Wolfcamp and Strawn formations underlying the N/2 SW/4 of said Section 11 thereby forming a standard 80-acre oil spacing and proration unit within both intervals, provided the aforementioned pool creations and special pool rules are adopted. Both units are to be dedicated to its "SV" Chipshot Well No. 1 (API No. 30-025-33466), located at an unorthodox oil well location for both zones 2164 feet from the South line and 1362 feet from the West line (Unit K) of said Section 11.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ken Barbe, Land	10 Min.	Approximately 5
Mike Brown, Geology	15 Min.	Approximately 5

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)



Signature