

**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:**

**APPLICATION OF BURNETT OIL COMPANY,
INC. FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 15,566

**APPLICATION OF BURNETT OIL COMPANY,
INC. FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 15,567

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Burnett Oil Company, Inc.
Suite 1500
Unit 9
801 Cherry Street
Fort Worth, Texas 76102

Attention: Coley Means
(817) 332-5108

OTHER PARTY

APPLICANT'S ATTORNEY

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

OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 15566: Burnett Oil Co., Inc. seeks an order approving a 120-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation (Fren Glorieta-Yeso Pool) comprised of the NW/4SE/4 and N/2SW/4 of Section 12, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard unit. The unit will be dedicated to the Nosler 12 Fed. LJ Well No. 7H, a horizontal well with a surface location in the NW/4SW/4, a first take point at an orthodox location in the NW/SW/4, and a terminus at an orthodox location in the NW/4SE/4, of Section 12. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 15567: Burnett Oil Co., Inc. seeks an order approving a 120-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation (Fren Glorieta-Yeso Pool) comprised of the SW/4SE/4 and S/2SW/4 of Section 12, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard unit. The unit will be dedicated to the Nosler 12 Fed. MO Well No. 8H, a horizontal well with a surface location in the SE/4SE/4 of adjoining Section 11, and a first take point at an orthodox location in the SW/SW4 and a terminus at an orthodox location in the SW/4SE/4 of Section 12. If applicant cannot arrange a surface location in Section 11, it proposes to drill at a surface location in the SW/4SW/4 of Section 12. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Coley Means (land manager)	20 min.	Approx. 10
Rafael Zelaya (geologist)	15 min.	Approx. 5
Walter Glasgow (engineer)	10 Min.	Approx. 4

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Applicant requests that these matters be heard together.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Burnett Oil Company, Inc.