STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 2014 0CT -9 P 1: 50

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

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

Case No. 15213

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Burnett Oil Company

Suite 1500

Unit 9

801 Cherry Street

Fort Worth, Texas 76102

Attention:

Coley Means

(817) 332-5108

OTHER PARTY

COG Operating LLC

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OTHER PARTY'S ATTORNEY

Ocean Munds-Dry

STATEMENT OF THE CASE

APPLICANT

Burnett Oil Company seeks an order approving an 160-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the E/2W/2 of Section 13, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the E/2W/2 of Section 13 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Partition Fed. Com. Well No. 4H, a horizontal well with a surface location in the

NE¼NW¼ of adjoining Section 24, a penetration point at an orthodox location in the SE¼SW¼ of Section 13, and a terminus at an orthodox location in the NE¼NW¼ of Section 13. 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 Burnett Oil Co., Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

•	WITNESSES	EST. TIME	<u>EXHIBITS</u>	
	Coley Means (land manager)	10 min.	Approx. 6	
	Larry Galbiati (geologist)	15 min.	Approx. 6	
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OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

Post Office Box 1056

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(505) 982-2043

Attorney for Burnett Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this __qtl__ day of October, 2014 by e-mail:

Ocean Munds-Dry Concho Resources Inc. omundsdry@concho.com

James Bruce