STATE OF NEW MEXICO DECEMBER (1) (1) (1) ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

2016 AUG 11 P 2: 46

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

APPLICATION OF M & M ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 15,531

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

M & M Energy, LLC 2409 Ella Lee Lane

Houston, Texas 77019

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056

Santa Fe. New Mexico 87504

(505) 982-2043

Attention:

Micheal McGhee

(713) 304-1695

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

M & M Energy, LLC seeks an order pooling all mineral interests from the surface to the base of the San Andres formation underlying the NE/4SW/4 of Section 6, Township 22 South, Range 36 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Day Well No. 9, to be drilled at an orthodox location. 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.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

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

Alan White 15 min. Approx. 5

(landman)

Micheal McGhee 10 min. Approx. 3 (geologist)

OPPONENT

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

PROCEDURAL MATTERS

IF THERE IS NO OPPOSITION APPLICANT INTENDS TO PRESENT THIS CASE BY AFFIDAVIT.

Respectfully submitted,

James Bruce

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Attorney for M & M Energy, LLC