

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

**APPLICATION OF EARTHSTONE OPERATING,
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23575

PRE-HEARING STATEMENT

Earthstone Operating, LLC (“Earthstone” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Earthstone Operating, LLC

ATTORNEYS

Dana S. Hardy
Jaclyn McLean
Yarithza Peña
Hinkle Shanor LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
ypena@hinklelawfirm.com

INTERESTED PARTIES

None at this time.

ATTORNEYS

STATEMENT OF THE CASE

Earthstone applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 21 and 28, Township 23 South, Range 26 East, Eddy County, New Mexico (“Unit”). The spacing unit will be dedicated to the following wells (“Wells”):

- a. **Cletus Fed Com 401H** well, to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 21;
- b. **Cletus Fed Com 402H** well, to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 21;
- c. **Cletus Fed Com 511H** well, to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 21; and
- d. **Cletus Fed Com 512H** well, to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 21.

The completed intervals of the Wells will be orthodox.

Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Unit and the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The Wells are located approximately 6 miles southeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Brian van Staveren	Landman	Affidavit	Approx. 6
Jason Asmus	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

Counsel for Earthstone Operating, LLC

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 234396

QUESTIONS

Operator: Earthstone Operating, LLC 1400 Woodloch Forest; Ste 300 The Woodlands, TX 77380	OGRID: 331165
	Action Number: 234396
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.