

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

**APPLICATIONS OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case Nos. 24807-24810

PRE-HEARING STATEMENT

Applicant FLAT CREEK RESOURCES, LLC ("Flat Creek") provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

FLAT CREEK RESOURCES, LLC

APPLICANT'S ATTORNEY

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STATEMENT OF THE CASE

Case No. 24807: *Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico.* Applicant in this case seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation in a standard 280-acre, more or less, horizontal spacing and proration unit (“HSU”), comprised of the N/2 NW/4 of Section 13 and N/2 N/2 of Section 14, Township 19 South, Range 27 East, in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: **Cardigan State Com 131H** well, to be horizontally drilled from a surface hole location approximately 530’ FNL and 1,420’ FWL of Section 13, T19S-R27E to a bottomhole location approximately 455’ FNL and 100’ FWL of Section 14, T19S-R27E. The completed interval and first and last take points will meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 24808: *Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico.* Applicant in this case seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation in a standard 280-acre, more or less, horizontal spacing and proration unit (“HSU”), comprised of the S/2 NW/4 of Section 13, S/2 N/2 of Section 14, and the S/2 NE/4 of Section 15, Township 19 South, Range 27 East, in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: **Cardigan State Com 132H** well, to be horizontally drilled from a surface hole location approximately 2,083’ FSL and 1,766’ FWL of Section 13, T19S-R27E to a bottom hole location approximately 1,730’ FNL and 2,547’ FEL of Section 15, T19S-R27E. The completed interval and first and last take points will meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost

of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 24809: *Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico.* Applicant in this case seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation in a standard 280-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the N/2 SW/4 of Section 13, the N/2 S/2 of Section 14, and the N/2 SE/4 of Section 15, Township 19 South, Range 27 East, in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: Cardigan State Com 132H well, to be horizontally drilled from a surface hole location approximately 2,053' FSL and 1,766' FWL of Section 13, T19S-R27E to a bottom hole location approximately 1,883' FSL and 2,545' FEL of Section 15, T19S-R27E. The completed interval and first and last take points will meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 24810: *Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico.* Applicant in this case seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation in a standard 280-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the S/2 SW/4 of Section 13, the S/2 S/2 of Section 14, and the S/2 SE/4 of Section 15, Township 19 South, Range 27 East, in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: Cardigan State Com 132H well, to be horizontally drilled from a surface hole location 2,023' FSL and 1,765' FWL of Section 13, T19S-R27E to a bottom hole location approximately 383' FSL and 2,543'

FEL of Section 15, T19S-R27E. The completed interval and first and last take points will meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Landman Michael Gregory	by affidavit/affirmation	7-8
Geologist Thomas M. Anderson	by affidavit/affirmation	7-8

OTHER PARTY:

TBD

PROCEDURAL MATTERS

Assuming no opposition at the time of hearing, these cases will be presented by affidavit.

Respectfully submitted,

SPENCER FANE LLP

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CERTIFICATE OF SERVICE

I hereby certify that the following counsel were served the foregoing by email on September 5, 2024.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 381134

QUESTIONS

Operator: Flat Creek Resources, LLC 777 Main St. Fort Worth, TX 76102	OGRID: 374034
	Action Number: 381134
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	30