

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

**APPLICATION OF POWDERHORN ENERGY
PARTNERS FOR COMPULSORY POOLING,
AND, TO THE EXTENT NECESSARY,
APPROVAL OF A NON-STANDARD,
HORIZONTAL SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 25479

POWDERHORN'S PRE-HEARING STATEMENT

Powderhorn Operating, LLC (OGRID No. 332857) ("Applicant" or "Powderhorn"), the Applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Powderhorn Operating, LLC

ATTORNEY

Benjamin B. Holliday
107 Katherine Court
San Antonio, Texas 78209
Phone: (210) 469-3197
Email: ben@helg.law

RESPONDENT

None as of date of filing.

APPLICANT'S STATEMENT OF THE CASE

In Case No. 25479, Powderhorn seeks an order pooling all uncommitted interests within the Bone Spring Formation, designated as an oil pool (Winchester; Bone Spring West, Pool Code 97569) underlying a 640.00-acre, more or less, non-standard horizontal well spacing unit comprised of Section 21, located in Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico ("Unit"). Applicant seeks to initially dedicate the above-referenced Unit to the proposed Fade Away Fed Com #301H, #302H, #303H, #304H wells ("Wells"):

- a. **Fade Away Fed Com 301H**, which is an oil well that will be horizontally drilled from a surface hole location 90' FEL & 1,380' FNL of Section 21, to a bottom hole location 100' FWL & 660' FNL of Section 21 Township 19 South, Range 27 East;
- b. **Fade Away Fed Com 302H**, which is an oil well that will be horizontally drilled from a surface hole location 90' FEL & 1,410' FNL of Section 21, to a bottom hole location 100' FWL & 1,980' FNL of Section 21 Township 19 South, Range 27 East;
- c. **Fade Away Fed Com 303H**, which is an oil well that will be horizontally drilled from a surface hole location 120' FEL & 1,360' FSL of Section 21, to a bottom hole location 100' FWL & 1,980' FSL of Section 21 Township 19 South, Range 27 East;
- d. **Fade Away Fed Com 304H**, which is an oil well that will be horizontally drilled from a surface hole location 120' FEL & 1,390' FSL of Section 21, to a bottom hole location 100' FWL & 660' FSL of Section 21 Township 19 South, Range 27 East;

The completed interval for each well will be orthodox and comply with statewide setbacks for oil wells. Powderhorn has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

APPLICANTS PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mason Maxwell, Landman	Affidavit	Approximately 5
Leonard W. Wood, Geologist	Affidavit	Approximately 5

PROCEDURAL MATTERS

There has been no opposition to this case as of the date of filing this Pre-Hearing Statement. Powderhorn intends to present this case by affidavit if there is no opposition at the time of the hearing.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

Benjamin B. Holliday

107 Katherine Court, Suite 100

San Antonio, Texas 78209

Phone: (210) 469-3197

ben@helg.law

Counsel for Powderhorn Operating, LLC

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

QUESTIONS

Action 490885

QUESTIONS

Operator: Powderhorn Operating, LLC 600 N Marienfeld Midland, TX 79701	OGRID: 332857
	Action Number: 490885
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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