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

APPLICATION OF AMEREDEV OPERATING, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 16023

AMEREDEV'S PRE-HEARING STATEMENT

Ameredev Operating, LLC, ("Ameredev") submits this pre-hearing statement as required by the Oil Conservation Division Rule 19.15.4.13.B.

APPEARANCES

APPLICANT

ATTORNEY

Ameredev Operating, LLC

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APPLICANT'S STATEMENT OF CASE

Ameredev seeks an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 32 and the W/2 E/2 of Section 29, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted mineral interests in the Wolfcamp formation. Ameredev proposes to dedicate the above-referenced spacing and proration unit as the project area for two proposed initial wells, to be drilled and completed simultaneously: the proposed **Redbud State Com 25-36-32 No. 105H Well** and the **Redbud State**

Com 25-36-32 No. 115H Well. These wells will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 32 to a standard bottom hole location in the NW/4 NE/4 (Unit B) of Section 29. The completed interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon Forteza, Landman	Approx. 10 minutes	Approx. 6
Parker Foy, Geology	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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