

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

**APPLICATION OF TITUS OIL & GAS
PRODUCTION, LLC, FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. 21252

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PRE-HEARING STATEMENT

Applicant TITUS OIL & GAS PRODUCTION, LLC (“Titus”) provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

TITUS OIL & GAS
PRODUCTION, LLC

APPLICANT’S ATTORNEY:

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OTHER PARTY

None at this time

STATEMENT OF THE CASE

Case No. 21252: Application of Titus Oil & Gas Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring (Oil) formation (WC-025 G-08 S263412K; Bone Spring [96672]) in a standard 240-acre, more or less, horizontal spacing and

proration unit (“HSU”) comprised of the E/2 W/2 of Section 29, Township 26 South, Range 35 East, and the E/2 NW/4 of Section 32, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following well: El Campeon Fed Com 322H well, to be horizontally drilled from an approximate surface hole location 579’ FSL and 2077’ FWL of Section 20, T26S-R35E, to an approximate bottom hole location 10’ FSL and 1650’ FWL of Section 32, T26S-R35E. The completed interval and first and last take points for this well will meet statewide setback requirements for horizontal 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. The well and lands are located approximately 14 miles southwest of Jal, New Mexico.

Case No. 21253: Application of Titus Oil & Gas Production, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-09 S263619C; Wolfcamp [98234]) in a standard 240-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 W/2 of Section 29, Township 26 South, Range 35 East, and the E/2 NW/4 of Section 32, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following wells: (1) El Campeon Fed Com 432H well, to be horizontally drilled from an approximate surface hole location 579’ FSL and 2137’ FWL of Section 20, T26S-R35E, to an approximate bottom hole location 10’ FSL and 2308’ FWL of Section 32, T26S-R35E, and (2) El Campeon Fed Com 512H well, to be horizontally drilled from an approximate surface hole location 579’ FSL and 2107’ FWL of Section 20, T26S-R35E, to an approximate bottom hole location 10’ FSL and 1850’ FWL of Section 32, T26S-R35E. The completed intervals and first and last take points for these wells will meet statewide setback

requirements for horizontal wells. 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 Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 14 miles southwest of Jal, New Mexico.

No other parties have entered an appearance in this matter.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

Reed Brunette, Landman

Allen Frierson, Geologist

EXHIBITS

8-10

5-7

OTHER PARTY:

None.

PROCEDURAL MATTERS

Assuming no opposition by time of hearing, Applicant will present these matters by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: /s/Sharon T. Shaheen

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