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

APPLICATION OF CHISHOLM ENERGY OPERATING, LLC FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO.

CASE NOS. 21262 & 21263

<u>CHISHOLM ENERGY OPERATING, LLC'S</u> CONSOLIDATED PRE-HEARING STATEMENT

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), the applicant

submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Chisholm Energy Operating, LLC

ATTORNEY

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INTERESTED PARTIES

EOG Resources, Inc. Cimarex Energy Co.

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASES

In Case No. 21262, Chisholm seeks an order pooling all uncommitted interests in the Bone Spring formation [Gem; Bone Spring, East Pool (Pool Code 27230)] underlying a standard 320acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 13 and 24, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Chisholm seeks to dedicate the above-referenced horizontal spacing unit to its proposed **Stetson 13-24 Fed Com 1BS #5H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 24. The completed interval will comply with the Statewide setback requirements for oil wells.

In Case No. 21263, Chisholm seeks an order pooling all uncommitted interests in the Bone Spring formation [Gem; Bone Spring, East Pool (Pool Code 27230)] underlying a standard 320acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 13 and 24, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial **Stetson 13-24 Fed Com 1BS #6H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 24. The completed interval of the proposed well will comply with Statewide setbacks for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jacob Daniels, Landman	Affidavit	Approx. 8
Josh Kuhn, Geologist	Affidavit	Approx. 3

PROCEDURAL MATTERS

Chisholm requests that Case Nos. 21262 and 21263 be consolidated for purposes of presenting the cases at hearing. If uncontested at the time of the hearing, Chisholm anticipates presenting these cases by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR CHISHOLM ENERGY OPERATING, LLC

CERTIFICATE OF SERVICE

I hereby certify that on September 3, 2020, I filed the foregoing document with the Oil Conservation Commission and served a copy to the following counsel of record via Electronic Mail:

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