

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

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

Case No. 21615

**APPLICATION OF TITUS OIL & GAS PRODUCTION, LLC
FOR COMPULSORY POOLING AND FOR APPROVAL OF
NON-STANDARD LOCATIONS,
EDDY COUNTY, NEW MEXICO**

Case No. 21616

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. 21615. *Application of Titus Oil and Gas Production, LLC for Compulsory Pooling, Eddy County, New Mexico.* Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-015 G-02 S262503L [97945]) underlying a 480-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the W/2 of Section 2 and the NW/4 of Section 11, all within Township 26 South, Range 25 East, NMPM, in Eddy County, New Mexico. Applicant proposes to drill the following well: **Chicken Noodle Fed Com 301H** well, to be horizontally drilled from an approximate surface hole location 2433’ FSL and 574’ FWL of Section 11, T26S-R25E, to an approximate bottom hole location 10’ FNL and 1320’ FWL of Section 2, T26S-R25E. The first and last take points for this well will meet statewide setback requirements for horizontal wells. The completed interval is proposed to lay south to north along the east/west boundary of the quarter-quarter sections. Titus proposes to include six quarter-quarter sections as proximity tracts. 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 seven miles south of White’s City, New Mexico.

Case No. 21616. *Application of Titus Oil and Gas Production, LLC for Compulsory Pooling and for Approval of Non-Standard Locations, Eddy County, New Mexico.* Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) [98220]) underlying a standard 480-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the W/2 of Section 2 and the NW/4 of Section 11, all within Township 26 South, Range 25 East, NMPM, in

Eddy County, New Mexico. Applicant proposes to drill the following wells: **Chicken Noodle Fed Com 401H** well, to be horizontally drilled from an approximate surface hole location 2433' FSL and 604' FWL of Section 11, T26S-R25E, to an approximate bottom hole location 10' FNL and 380' FWL of Section 2, T26S-R25E; and **Chicken Noodle Fed Com 402H** well, to be horizontally drilled from an approximate surface hole location 2437' FSL and 1662' FWL of Section 11, T26S-R25E, to an approximate bottom hole location 10' FNL and 2325' FWL of Section 2, T26S-R25E. The surface and bottomhole locations are within the designated setbacks in the applicable special pool rules. The completed intervals are within the designated setbacks in the applicable special pool rules. Statewide pool rules apply to the first and last take points, which are not within the requisite setbacks. 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 seven miles south of White's City, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

Reed Brunette, Landman

Allen Frierson, Geologist

EXHIBITS

8-10

5-7

OTHER PARTY:

None anticipated at this time.

PROCEDURAL MATTERS

On January 6, 2021, the Division approved the non-standard locations of the proposed wells in Administrative Orders NSL-8113 (Chicken Noodle Fed Com 401H) and NSL-8114

(Chicken Noodle Fed Com 401H). Titus therefore requests that the Division dismiss Titus's request for hearing regarding approval of the non-standard locations in Case No. 21616.

Assuming no opposition by time of hearing, Applicant will present these matters by affidavit on February 18, 2021.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: /s/Sharon T. Shaheen

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