

**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. 21619-21620

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case Nos. 21748-21751

PRE-HEARING STATEMENT

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:

Sharon T. Shaheen
Rico S. Gonzales
MONTGOMERY & ANDREWS, P.A.
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
Telephone: (505) 986-2678
Email: sshaheen@montand.com
rgonzales@montand.com

OPPONENT

MRC PERMIAN CO.

OPPONENT’S ATTORNEY:

Michael H. Feldewert
Adam G. Rankin
Julie Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

OTHER INTERESTED PARTY

COLGATE OPERATING, LLC

OPPONENT'S ATTORNEY:

Ernest L. Padilla
Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalawnm@outlook.com
padillalaw@qwestoffice.net

STATEMENT OF THE CASE

Titus's applications in Case Nos. 21619 and 21620 were filed on December 8, 2020. Matador Production Company ("Matador") filed competing applications in Case Nos. 21748-21751 on February 25, 2021. These competing applications are set for a status conference on July 15, 2021, to determine a date for a contested hearing. In accordance with the anticipated prehearing order, Titus will file an amended prehearing statement prior to the contested hearing, summarizing the reasons that its proposals are superior to those of Matador.

In Case No. 21619, Titus seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Salt Lake; Bone Spring [53560]) underlying a standard 560-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 of Section 22 and the NE/4 and N/2 SE/4 of Section 27, all within Township 20 South, Range 32 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following wells: **Thai Curry Fed Com 223H** well, to be horizontally drilled from an approximate surface hole location 376' FNL and 593' FEL of Section 22, T20S-R32E, to an approximate bottom hole location 1330' FSL and 2310' FEL of Section 27, T20S-R32E; and **Thai Curry Fed Com 224H** well, to be

horizontally drilled from an approximate surface hole location 376' FNL and 533' FEL of Section 22, T20S-R32E, to an approximate bottom hole location 1330' FSL and 990' FEL of Section 27, T20S-R32E. 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 twenty-seven miles northeast of Loving, New Mexico.

In Case No. 21620, Titus seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Salt Lake; Wolfcamp [53570]) underlying a standard 560-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 of Section 22 and the NE/4 and N/2 SE/4 of Section 27, all within Township 20 South, Range 32 East, NMPM, in Lea County, New Mexico. Applicant proposes to drill the following wells: **Thai Curry Fed Com 433H** well, to be horizontally drilled from an approximate surface hole location 30' FNL and 488' FEL of Section 22, T20S-R32E, to an approximate bottom hole location 10' FSL and 2310' FEL of Section 27, T20S-R32E; and **Thai Curry Fed Com 434H** well, to be horizontally drilled from an approximate surface hole location 30' FNL and 458' FEL of Section 22, T20S-R32E, to an approximate bottom hole location 10' FSL and 990' FEL of Section 27, T20S-R32E. 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 twenty-seven miles northeast of Loving, New Mexico.

In Case Nos. 21748-21751, Matador seeks to develop the same or overlapping lands.

PROPOSED EVIDENCE

APPLICANT TITUS

WITNESSES	TIME	EXHIBITS
Landman TBD	Dependent on cross-examination	10-12
Geologist TBD	Dependent on cross-examination	10-12
Engineer TBD	Dependent on cross-examination	10-12

OPPONENT/APPLICANT MRC/MATADOR

WITNESSES	TIME	EXHIBITS
TBD		

OTHER INTERESTED PARTY

WITNESSES	TIME	EXHIBITS
TBD		

PROCEDURAL MATTERS

These cases will be heard as a status conference on July 15, 2021, to set a date for contested hearing of the competing proposals. Assuming no opposition by the time of contested hearing, Applicant Titus will present these matters by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen
Rico S. Gonzales
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@montand.com
rgonzales@montand.com

Attorneys for Titus Oil & Gas Production, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on July 8, 2021:

Michael H. Feldewert
Adam G. Rankin
Julie Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

*Attorneys for MRC Permian Co. and Matador
Production Co.*

Ernest L. Padilla
Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalawnm@outlook.com
padillalaw@qwestoffice.net

Attorney for Colgate Operating, LLC

/s/ Sharon T. Shaheen

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 35622

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 35622
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witness	3
Testimony time (in minutes)	0