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

APPLICATION OF LEGACY RESERVES OPERATING LP FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22226, 22227, 22228, 22229

<u>LEGACY RESERVES OPERATING LP'S CONSOLIDATED PRE-HEARING STATEMENT</u>

Legacy Reserves Operating LP ("Legacy") submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEY

Legacy Reserves Operating LP James Parrot

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APPLICANT'S STATEMENT OF CASE

In Case No. 22226, Legacy applies for an order to create a standard spacing and proration unit and pool all uncommitted mineral interest owners within the Bone Spring Formation (GEM; BONE SPRING, EAST 27230) underlying a standard approximate 320-acre horizontal unit comprised of the W½W½ of Section 14 and the W½W½ of Section 23, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Sapphire Fed Com 501H Well (API No. Pending), to be horizontally drilled from a surface location in the NW¼NW¼ (Lot D) of Section 14, to a bottom hole location in the SW¼SW¼ (Lot M) of Section 23. The completed interval of the Well will be orthodox.

In Case No. 22227, Legacy applies for an order to create a standard spacing and proration unit and pool all uncommitted mineral interest owners within the Bone Spring Formation underlying a standard approximate 320-acre horizontal unit comprised of the E½W½ of Section 14 and the E½W½ of Section 23, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Sapphire Fed Com 502H Well (API No. Pending), to be horizontally drilled from a surface location in the NW¼NW¼ (Lot D) of Section 14, to a bottom hole location in the SE¼SW¼ (Lot N) of Section 23. The completed interval of the Well will be orthodox.

In Case No. 22228, Legacy applies for an order to create a standard spacing and proration unit and pool all uncommitted mineral interest owners within the Bone Spring Formation underlying a standard approximate 320-acre horizontal unit comprised of the W½E½ of Section 14 and the W½E½ of Section 23, Township 19 South, Range 33 East, N.M.P.M., Lea County,

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New Mexico ("Unit"). The Unit will be dedicated to the Sapphire Fed Com 503H Well (API

No. Pending), to be horizontally drilled from a surface location in the NW¹/₄NE¹/₄ (Lot B) of

Section 14, to a bottom hole location in the SW¹/₄SE¹/₄ (Lot O) of Section 23. The completed

interval of the Well will be orthodox.

In Case No. 22229, Legacy applies for an order to create a standard spacing and proration

unit and pool all uncommitted mineral interest owners within the Bone Spring Formation

underlying a standard approximate 320-acre horizontal unit comprised of the E½E½ of Section 14

and the E½E½ of Section 23, Township 19 South, Range 33 East, N.M.P.M., Lea County, New

Mexico ("Unit"). The Unit will be dedicated to the Sapphire Fed Com 504H Well (API No.

Pending), to be horizontally drilled from a surface location in the NW1/4NE1/4 (Lot B) of Section

14, to a bottom hole location in the SE½SW½ (Lot P) of Section 23. The completed interval of

the Well will be orthodox.

PROCEDURAL MATTERS

The matter to be heard before Division pertains to Legacy's published notice of Application

in the Hobbs News-Sun on June 23, 2022, which Legacy intends to present today in Notice of

Supplemental Exhibits.

Dated this 14th day of July, 2022.

Respectfully submitted

BEATTY & WOZNIAK, P.C.

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

QUESTIONS

Action 125508

QUESTIONS

| Operator: | OGRID: |
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| LEGACY RESERVES OPERATING, LP | 240974 |
| 15 Smith Road | Action Number: |
| Midland, TX 79705 | 125508 |
| | Action Type: |
| | [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

| Testimony | |
|---|---------------|
| Please assist us by provide the following information about your testimony. | |
| Number of witnesses | Not answered. |
| Testimony time (in minutes) | Not answered. |