

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

**APPLICATION OF ARMSTRONG ENERGY
CORPORATION FOR SPECIAL POOL RULES
AND REGULATIONS FOR THE REEVES;
DEVONIAN POOL, LEA COUNTY, NEW MEXICO.**

CASE NO. 23393

PRE-HEARING STATEMENT

Armstrong Energy Corporation (“Armstrong” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Armstrong Energy Corporation

ATTORNEYS

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INTERESTED PARTY

None.

ATTORNEYS

STATEMENT OF THE CASE

Applicant applies for an order instituting special rules and regulations for the Reeves; Devonian Pool (Code 51930) (the “Pool”). Applicant is the operator of the Rocky Raccoon #1 (API No. 30-025-49594), located in a vertical well unit comprised of the NW/4 SE/4 of Section 24, Township 18 South, Range 35 East, Lea County, New Mexico (“Well”). The Pool currently has a depth bracket allowable of 410 barrels of oil per day for a standard 40-acre spacing and

proration unit. The Well was completed on July 14, 2022 and is capable of producing above the Pool's oil allowable.

Applicant requests that the Division establish special rules and regulations for the Pool, which provide for a special depth bracket allowable of 800 barrels of oil per day for a standard 40-acre oil well unit, and that the special rules and regulations for the Pool be made effective retroactive to the date of first production from the Well. Increasing the depth bracket allowable will allow Armstrong to produce the Pool in the most efficient manner and thereby serves the interest of conservation, the protection of correlative rights, and the prevention of waste. Increasing the allowable will not waste reservoir energy, harm the reservoir, or reduce recovery of oil and gas reserves. In addition, the Well is already producing and there are sufficient facilities on site to allow for transportation, casinghead gas transportation, water disposal, processing, and marketing. Armstrong also has take-away contracts for produced water and gas in this area.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Kyle Alpers	Engineer	Affidavit	Approx. 5
Kelsey Garner	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 202486

QUESTIONS

Operator: ARMSTRONG ENERGY CORP P.O. Box 1973 Roswell, NM 88202	OGRID: 1092
	Action Number: 202486
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.