

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

**APPLICATION OF EARTHSTONE OPERATING, LLC  
FOR COMPULSORY POOLING IN  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22813**

**EARTHSTONE OPERATING, LLC'S  
PRE-HEARING STATEMENT**

Earthstone Operating, LLC ("Earthstone") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Earthstone Operating, LLC

**ATTORNEYS**

Dana S. Hardy  
Jaclyn McLean  
Yarithza Peña  
P.O. Box 2068  
Santa Fe, NM 87504-2068  
Phone: (505) 982-4554  
[dhardy@hinklelawfirm.com](mailto:dhardy@hinklelawfirm.com)  
[jmclean@hinklelawfirm.com](mailto:jmclean@hinklelawfirm.com)  
[ypena@hinklelawfirm.com](mailto:ypena@hinklelawfirm.com)

**INTERESTED PARTIES**

ConocoPhillips

**ATTORNEYS**

Ocean Munds-Dry  
Elizabeth Ryan  
1048 Paseo de Peralta  
Santa Fe, New Mexico 87501  
(505) 780-8000  
[Ocean.Munds-Dry@conocophillips.com](mailto:Ocean.Munds-Dry@conocophillips.com)  
[Beth.Ryan@conocophillips.com](mailto:Beth.Ryan@conocophillips.com)

Matador Production Company

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula Vance  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

[mfelderwert@hollandhart.com](mailto:mfelderwert@hollandhart.com)  
[agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)  
[jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)  
[pmvance@hollandhart.com](mailto:pmvance@hollandhart.com)

Fasken Oil & Ranch

Sharon T. Shaheen  
P.O. Box 2307  
Santa Fe, NM 87504-2307  
(505) 986-2678  
[sshaheen@montand.com](mailto:sshaheen@montand.com)

**STATEMENT OF THE CASE**

Earthstone applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 26 and 35, Township 18 South, Range 33 East, Lea County, New Mexico (“Unit”).

The Unit will be dedicated to the following wells (“Wells”):

1. Charger 35-26 Fed 1BS Com 1H to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26;
2. Charger 35-26 Fed 1BS Com 2H to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26;
3. Charger 35-26 Fed 2BS Com 5H to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; and
4. Charger 35-26 Fed 2BS Com 6H to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26.

The completed interval of the Charger 35-26 Fed 1BS Com 5H well will be within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 26 and 35 to allow for the formation of a 640-acre standard horizontal spacing unit. The completed intervals of the Wells will be orthodox.

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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 10 miles southeast of Maljamar, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Kevin Woolley	Landman	Affidavit	Approx. 6
Jason Asmus	Geologist	Affidavit	Approx. 6

**PROCEDURAL MATTERS**

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

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy  
Dana S. Hardy  
Jaclyn McLean  
Yarithza Peña  
P.O. Box 2068  
Santa Fe, NM 87504-2068  
Phone: (505) 982-4554  
Facsimile: (505) 982-8623  
dhardy@hinklelawfirm.com  
jmclean@hinklelawfirm.com  
ypena@hinklelawfirm.com  
Counsel for Earthstone Operating, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that on June 8, 2023, I caused a true and correct copy of this document to be electronically served on the following:

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
HOLLAND & HART, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
TEL: (505) 988-4421  
[mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
[arankin@hollandhart.com](mailto:arankin@hollandhart.com)  
[jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)  
*Attorneys for Matador Production Company*

Ocean Munds-Dry  
Elizabeth Ryan  
ConocoPhillips  
1048 Paseo de Peralta  
Santa Fe, New Mexico 87501  
(505) 780-8000  
[Ocean.Munds-Dry@conocophillips.com](mailto:Ocean.Munds-Dry@conocophillips.com)  
[Beth.Ryan@conocophillips.com](mailto:Beth.Ryan@conocophillips.com)  
*Attorneys for ConocoPhillips*

Sharon T. Shaheen  
MONTGOMERY &  
ANDREWS, P.A.  
P.O. Box 2307  
Santa Fe, NM 87504-2307  
(505) 986-2678  
[sshaheen@montand.com](mailto:sshaheen@montand.com)  
*Attorney for Fasken Oil & Ranch*

/s/ Dana S. Hardy  
Dana S. Hardy

**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 225502

**QUESTIONS**

Operator: Earthstone Operating, LLC 1400 Woodloch Forest; Ste 300 The Woodlands, TX 77380	OGRID: 331165
	Action Number: 225502
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

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