

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

**APPLICATION OF LEGACY RESERVES OPERATING LP
TO AMEND ORDER NO. R-22336, LEA COUNTY, NEW MEXICO.**

CASE NOS. 23800
(Formerly Case 22226)

**APPLICATION OF LEGACY RESERVES OPERATING LP
TO AMEND ORDER NO. R-22337, LEA COUNTY, NEW MEXICO.**

CASE NOS. 23801
(Formerly Case 22227)

**APPLICATION OF LEGACY RESERVES OPERATING LP
TO AMEND ORDER NO. R-22338, LEA COUNTY, NEW MEXICO.**

CASE NOS. 23802
(Formerly Case 22228)

**APPLICATION OF LEGACY RESERVES OPERATING LP
TO AMEND ORDER NO. R-22339, LEA COUNTY, NEW MEXICO.**

CASE NOS. 23803
(Formerly Case 22229)

**LEGACY RESERVES OPERATING LP'S CONSOLIDATED PRE-HEARING
STATEMENT**

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

APPEARANCES

APPLICANT

Legacy Reserves Operating LP

ATTORNEY

James Parrot
Sophia Graham
Beatty & Wozniak, P.C.
500 Don Gaspar Ave.,
Santa Fe, NM 87505
(303) 407-4458
Fax: 800-886-6566
jparrot@bwenergylaw.com
sgraham@bwenergylaw.com

INTERESTED PARTIES

MRC Delaware Resources

ATTORNEYS

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrankin@hollandhart.com
pmvance@hollandhart.com

APPLICANT'S STATEMENT OF CASE

Legacy seeks orders extending for an additional year the obligation to commence drilling under Division Orders R-22336, R-22337, R-22338, and R-22339 issued on October 28, 2022 in Case Nos. 22226, 22227, 22228, and 22229, respectively. These orders pooled all uncommitted interest owners in the Bone Spring formation underlying standard 320-acre horizontal spacing units in Sections 14 and 23, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, as follows:

- Order R-22336 pooled the $W\frac{1}{2}W\frac{1}{2}$ of Section 14 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 23 and dedicated the 320-acre spacing unit to the proposed **Sapphire Fed Com 501H Well** (API No. Pending);
- Order R-22337 pooled the $E\frac{1}{2}W\frac{1}{2}$ of Section 14 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 23 and dedicated the 320-acre spacing unit to the proposed **Sapphire Fed Com 502H Well** (API No. Pending);
- Order R-22338 pooled the $W\frac{1}{2}E\frac{1}{2}$ of Section 14 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 23 and dedicated the 320-acre spacing unit to the proposed **Sapphire Fed Com 503H Well** (API No. Pending); and
- Order R-22339 pooled the $E\frac{1}{2}E\frac{1}{2}$ of Section 14 and the $E\frac{1}{2}E\frac{1}{2}$ of Section 23 and dedicated the 320-acre spacing unit to the proposed **Sapphire Fed Com 504H Well** (API No. Pending).

Each order requires Applicant to commence drilling the wells “within one year after the date of this Order, and complete Well no later than one (1) year after the commencement of drilling the Well.” The orders further provide that the order will terminate if the well is not timely commenced, unless the operator “obtains an extension by an amendment of this Order for good cause shown.”

Applicant plans to drill the proposed wells but is revising its development plan based on proximate well data. Applicant seeks additional time to plan and permit additional wells to be

batch drilled. An extension will enable Applicant to maximize productivity, prevent economic waste, and minimize surface and environmental impacts with more efficient planning. Therefore, Applicant requests that the Division amend the existing orders to extend the time to commence drilling the proposed wells to October 28, 2024.

APPLICANT’S PROPOSED EVIDENCE

The witnesses are as follows:

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Carl Messina, Landman	15 minutes	Approx. 5

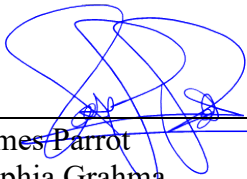
PROCEDURAL MATTERS

The Division has consolidated for hearings Case Nos. 23800 through 23803.

Dated this 28th day of September, 2023.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:  _____
 James Parrot
 Sophia Graham
 Beatty & Wozniak, P.C.
 500 Don Gaspar Ave.,
 Santa Fe, NM 87505
 (303) 407-4458
 Fax: 800-886-6566
jparrot@bwenergylaw.com
sgraham@bwenergylaw.com

Legacy Reserves Operating LP

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 269694

QUESTIONS

Operator: LEGACY RESERVES OPERATING, LP 15 Smith Road Midland, TX 79705	OGRID: 240974
	Action Number: 269694
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	1
Testimony time (in minutes)	15