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

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 24118

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 24119

AVANT OPERATING, LLC'S PRE-HEARING STATEMENT

Avant Operating, LLC ("Avant") submits this Pre-Hearing Statement for the abovereferenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

ATTORNEY APPLICANT

Avant Operating, LLC Deana M. Bennett

> Earl E. DeBrine, Jr. Yarithza Peña

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OTHER PARTIES ATTORNEY

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COG Operating LLC Dana S. Hardy

& Concho Oil & Gas LLC Jaclyn McLean

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XTO Energy, Inc.

Michael H. Feldewert Adam G. Rankin Paula M. Vance P.O. Box 2208 Santa Fe, NM 87504 (505) 988-4421

STATEMENT OF CASE

APPLICANT:

In Case No. 24118, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

In Case No. 24119, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved

in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

| WITNESS | ESTIMATED TIME | EXHIBITS |
|---------------------------------|--------------------|------------|
| Landman: Tiffany Sarantinos | Approx. 15 minutes | Approx. 16 |
| Geologist: John Harper | Approx. 15 minutes | Approx. 30 |
| Reservoir Engineer: Shane Kelly | Approx. 10 minutes | Approx. 3 |

PROCEDURAL ISSUES

E.G.L. Resources had filed competing cases but has now dismissed those cases. E.G.L. Resources does not object to these cases proceeding by affidavit. No other party objects to these cases proceeding by affidavit. Avant has requested that the Division allow these cases to be heard on May 28, 2024 as uncontested cases proceeding by affidavit, which request has been granted. As a result, Avant intends to present these cases by affidavit at the May 28, 2024 hearing.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By: Nema M. Bennett

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CERTIFICATE OF SERVICE

I hereby certify that on May 21, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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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 346481

QUESTIONS

| Operator: | OGRID: |
|----------------------|--|
| Avant Operating, LLC | 330396 |
| 1515 Wynkoop Street | Action Number: |
| Denver, CO 80202 | 346481 |
| | Action Type: |
| | [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

| Testimony | | |
|---|---------------|--|
| Please assist us by provide the following information about your testimony. | | |
| Number of witnesses | 3 | |
| Testimony time (in minutes) | Not answered. | |