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

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

CASE NOS. 24543-24544

AVANT OPERATING, LLC'S CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT	ATTORNEY
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APPLICANT'S STATEMENT OF CASE

In these consolidated cases, Avant seeks orders to approve non-standard 1,280-acre, more or less, horizontal spacing units ("HSUs") composed of all of Sections 25 and 36, Township 18 South, Range 33 East, N.M.P.M., Lea County, New Mexico (the "Application Lands"), and to pool all uncommitted mineral interests in the Bone Spring and Wolfcamp formations, designated as oil pools, underlying said HSUs.

Under Case 24543, Avant seeks to pool the Wolfcamp formation underlying the Application Lands and seeks dedicate the HSU to the following proposed wells:

- A. **Royal Oak 25 Fed Com #006H**, which is an oil well that will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 25 to a bottom hole location in the Wolfcamp Formation in the SW/4SW/4 (Unit M) of Section 36:
- B. **Royal Oak 25 Fed Com #007H**, which is an oil well that will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 25 to a bottom hole location in the Wolfcamp Formation in the SE/4SW/4 (Unit N) of Section 36;

- C. **Royal Oak 25 Fed Com #008H**, which is an oil well that will be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 25 to a bottom hole location in the Wolfcamp Formation in the SE/4SW/4 (Unit O) of Section 36; and
- D. Royal Oak 25 Fed Com #009H, which is an oil well that will be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 25 to a bottom hole location in the Wolfcamp Formation in the SE/4SE/4 (Unit P) of Section 36.

 Under Case 24544, Avant seeks to pool the Bone Spring formation underlying the Application Lands and seeks dedicate the HSU to the following proposed wells:
 - E. **Royal Oak 25 Fed Com #501H**, which is an oil well that will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 25 to a bottom hole location in the Bone Spring Formation in the SW/4SW/4 (Unit M) of Section 36;
 - F. **Royal Oak 25 Fed Com #502H**, which is an oil well that will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 25 to a bottom hole location in the Bone Spring Formation in the SE/4SW/4 (Unit N) of Section 36;
 - G. Royal Oak 25 Fed Com #301H and Royal Oak 25 Fed Com #601H, which are oil wells that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 25 to a bottom hole location in the Bone Spring Formation in the SW/4SW/4 (Unit M) of Section 36;
 - H. Royal Oak 25 Fed Com #302 and Royal Oak 25 Fed Com #602H, which are oil wells that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit

C) of Section 25 to a bottom hole location in the Bone Spring Formation in the SE/4SW/4 (Unit N) of Section 36;

- I. Royal Oak 25 Fed Com #303H, Royal Oak 25 Fed Com #503H, and Royal Oak 25 Fed Com #603H, which are oil wells that will be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 25 to a bottom hole location in the Bone Spring Formation in the SE/4SW/4 (Unit O) of Section 36; and
- J. Royal Oak 25 Fed Com #304H, Royal Oak 25 Fed Com #504H, and Royal Oak 25 Fed Com #604H, which are oil wells that will be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 25 to a bottom hole location in the Bone Spring Formation in the SE/4SE/4 (Unit P) of Section 36.

The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, 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 and lands are located approximately 28 miles west from Hobbs, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Sophia Guerra, Senior Landman	Affidavit	Approx. 5
John Harper, Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

If uncontested at the hearing, Avant intends to present these cases by affidavit. Dated this 20th day of June, 2023.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:_

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Attorneys for Avant Operating, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was served to counsel of record by electronic mail this 20th day of June 2024, as follows:

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QUESTIONS

Action 356351

QUESTIONS

Operator:	OGRID:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	356351
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	Not answered.	