

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

**APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24713

PRE-HEARING STATEMENT

Civitas Permian Operating, LLC (“Civitas” or “Applicant”) submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

| | | |
|----------------------|---|---|
| APPLICANT | Civitas Permian Operating, LLC | Ocean Munds-Dry Michael Rodriguez 309 Johnson St. Santa Fe, NM 87501 (505) 592-0521 (303) 312-8518 omundsdry@civiresources.com mrodriguez@civiresources.com |
| OTHER PARTIES | Flat Creek Resources, LLC | Sharon T. Shaheen P.O. Box 2307 Santa Fe, NM 87504-2307 (505)986-2678 sshahen@montand.com ec: wmcginnis@montand.com |
| | Coterra Energy, Inc., and its subsidiaries, including Cimarex Energy Co. and Magnum Hunter Production, Inc. | Darin C. Savage Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, NM 87501 (970) 385-4401 darin@abadieschill.com andrew@abadieschill.com bill@abadieschill.com |
| | Marathon Oil Permian LLC | Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña P.O. Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, NM 87103-2168 (505) 848-1800 earl.debrine@modrall.com |

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APPLICANT’S STATEMENT OF THE CASE(S)

Applicant seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 22 and 23, Township 24 South, Range 26 East, Eddy County, New Mexico. The proposed horizontal spacing unit will be dedicated to the Modelo 22-23 Fed Com 131H to be horizontally drilled with first take point in the NW/4SW/4 (Unit L) of Section 22 and last take point in the NE/4SE/4 (Unit I) of Section 23. The producing area for the well is expected to be orthodox. The completed interval for the Modelo 22-23 Fed Com 131H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. A depth severance exists in the subject formation within the proposed Unit. Accordingly, Civitas seeks to pool all uncommitted interests in the Bone Spring formation at a stratigraphic equivalent of 8,062 feet, as defined on the Baker Hughes Gamma Ray Log of the Ringer Federal Com 4 well (API No. 30-015-32343), to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles south of Carlsbad, New Mexico.

PROPOSED EVIDENCE

| WITNESS | TITLE | ESTIMATED TIME | ESTIMATED EXHIBITS |
|-----------------|--------------|-------------------------|---------------------------|
| Sean Johnson | Land Manager | Self-affirmed Statement | 5 |
| Brian Dombroski | Geologist | Self-affirmed Statement | 3 |

PROCEDURAL MATTERS

Civitas intends to present the captioned case by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

Civitas Permian Operating, LLC



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CERTIFICATE OF SERVICE

I hereby certify that on October 3, 2024, I caused a true and correct copy of this document to be electronically served on the following:

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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 389836

QUESTIONS

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| Operator: Civitas Permian Operating, LLC 555 17th Street Denver, CO 80202 | OGRID: 332195 |
| | Action Number: 389836 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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|--|---|
| Testimony | |
| <i>Please assist us by provide the following information about your testimony.</i> | |
| Number of witnesses | 2 |
| Testimony time (in minutes) | 0 |