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

AMENDED APPLICATIONS OF FLAT CREEK RESOURCES, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO Case Nos. 24746 - 24749

PRE-HEARING STATEMENT

Applicant FLAT CREEK RESOURCES, LLC ("Flat Creek") provides this Pre-Hearing

Statement as required by the rules of the Division.

FLAT CREEK RESOURCES, LLC

APPEARANCES

<u>APPLICANT</u> <u>ATTORNEY</u>

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STATEMENT OF THE CASE

Case No. 24746: Amended Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 NE/4 of Section 3, Township 25 South, Range 26 East and the E/2 E/2 of Section 34, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 1.5-mile well in the HSU: Bombsite BS Fed Com #1H well, to be horizontally drilled from a surface hole location approximately 1,885' FSL and 2,526' FEL of Section 3, T25S-R26E to a bottom hole location approximately 100' FNL and 755' FEL of Section 34, T24S-R26E.

Case No. 24747: Amended Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 NE/4 of Section 3, Township 25 South, Range 26 East and the W/2 E/2 of Section 34, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 1.5-mile well in the HSU: Bombsite BS Fed Com #2H well, to be horizontally drilled from a surface hole location approximately 2,110' FSL and 2,556' FEL of Section 3, T25S-R26E to a bottom hole location approximately 100' FNL and 1,990' FEL of Section 34, T24S-R26E.

Case No. 24748: Amended Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 NW/4 of Section 3, Township 25 South, Range 26 East and the E/2 W/2 of Section 34, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 1.5-mile well in the HSU: Bombsite BS Fed Com #3H well, to be horizontally drilled from a surface hole location approximately 2,075' FSL and 2,586' FEL of Section 3, T25S-R26E to a bottom hole location approximately 100' FNL and 2,044' FWL of Section 34, T24S-R26E.

Case No. 24749: Amended Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 240-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 NW/4 of Section 3, Township 25 South, Range 26 East and the W/2 W/2 of Section 34, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: Bombsite BS Fed Com #4H well, to be horizontally drilled from a surface hole location approximately 2,075' FSL and 2,616' FEL of Section 3, T25S-R26E to a bottom hole location approximately 100' FNL and 590' FWL of Section 34, T24S-R26E.

The completed intervals and first and last take points of all proposed wells will meet statewide setback requirements for horizontal oil and gas wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EXHIBITS
Landman Michael Gregory	5-6
Geologist Thomas M. Anderson	5-6

PROCEDURAL MATTERS

Assuming no opposition at the time of hearing, these cases will be presented by affidavit.

Respectfully submitted,

SPENCER FANE LLP

By: /s/Sharon T. Shaheen Sharon T. Shaheen

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Attorney for Flat Creek Resources, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record, by electronic mail on October 24, 2024:

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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 395736

QUESTIONS

Operator:	OGRID:
Flat Creek Resources, LLC	374034
777 Main St.	Action Number:
Fort Worth, TX 76102	395736
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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