

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

**APPLICATION OF 3R OPERATING, LLC
FOR APPROVAL OF STANDARD
HORIZONTAL SPACING UNIT AND
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO**

CASE NO. 25123

3R OPERATING, LLC’S PRE-HEARING STATEMENT

3R Operating, LLC, (“3R”), submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

3R Operating, LLC

ATTORNEY

Miguel A. Suazo
James P. Parrot
Beatty & Wozniak, P.C.
500 Don Gaspar Ave.,
Santa Fe, NM 87505
(505) 946-2090
Fax: 800-886-6566
msuazo@bwenergylaw.com
jparrot@bwenergylaw.com

INTERESTED PARTY

None

ATTORNEY

N/A

APPLICANT’S STATEMENT OF CASE

In this case, 3R seeks orders to approve standard 640-acre, more or less, horizontal spacing unit (“HSU”) composed of the N/2 of Sections 32 and 33, Township 23 South, Range 26 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”), and to pool all

uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said HSU.

Under **Case 25123**, 3R seeks to pool the Wolfcamp formation underlying the Application Lands and seeks dedicate the HSU to the following proposed wells:

A. **Crystal N 33 32 Fed Com #701H**, which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 32;

B. **Crystal N 33 32 Fed Com #702H**, which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the SW/4 NW/4 (Unit D) of Section 32;

C. **Crystal N 33 32 Fed Com #801H**, which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 32;

D. **Crystal N 33 32 Fed Com #802H**, which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the SW/4 NW/4 (Unit E) of Section 32;

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 6 miles southwest from Carlsbad, New Mexico.

APPLICANT’S PROPOSED EVIDENCE

WITNESS

ESTIMATED TIME

EXHIBITS

Name and Expertise

Brian van Staveren, Senior Landman	Affidavit	Approx. 5
Scott Germann, Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

If uncontested at the hearing, 3R intends to present these cases by affidavit.

Dated this 6th day of February, 2025.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

Miguel A. Suazo
James P. Parrot
500 Don Gaspar Ave.,
Santa Fe, NM 87505
(505) 946-2090
msuazo@bwenergylaw.com
jparrot@bwenergylaw.com

Attorneys for 3R Operating, LLC

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 429347

QUESTIONS

Operator: 3R Operating, LLC 20405 State Highway 249 Houston, TX 77070	OGRID: 331569
	Action Number: 429347
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	10