

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

**APPLICATION OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25318

PRE-HEARING STATEMENT

Applicant FLAT CREEK RESOURCES, LLC (“Flat Creek”) provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

FLAT CREEK RESOURCES, LLC

ATTORNEY

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OTHER PARTIES

None at this time

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all 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 non-standard 960-acre, more or less, horizontal spacing and proration unit (“HSU”), comprised of Section 34, Township 24 South, Range 26 East, and the North Half of Section 3, Township 25 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 1.5-mile wells in the HSU: **Bombsite BS Fed Com #1H** well, to be horizontally drilled from a surface hole location approximately 1,189’ FSL and 2,575’ FEL of Section 3, T25S-R26E to a

bottom hole location approximately 15' FNL and 755' FEL of Section 34, T24S-R26E; **Bombsite BS Fed Com #2H** well, to be horizontally drilled from a surface hole location approximately 1,174' FSL and 2,600' FEL of Section 3, T25S-R26E to a bottom hole location approximately 15' FNL and 1,990' FEL of Section 34, T24S-R26E; **Bombsite BS Fed Com #3H** well, to be horizontally drilled from a surface hole location approximately 1,159' FSL and 2,595' FEL of Section 3, T25S-R26E to a bottom hole location approximately 15' FNL and 2,044' FWL of Section 34, T24S-R26E; and **Bombsite BS Fed Com #4H** well, to be horizontally drilled from a surface hole location approximately 1,144' FSL and 2,570' FEL of Section 3, T25S-R26E to a bottom hole location approximately 15' FNL and 590' FWL of Section 34, T24S-R26E.

Larger non-standard spacing units are required to construct and use common facilities in compliance with the regulatory requirements of the Bureau of Land Management. Flat Creek will seek administrative approval of this proposed non-standard unit, which will be comprised of spacing units for four wells that were previously pooled in separate standard spacing units in Order Nos. R-23625, R-23626, and R-23627, and R-23628 ("Previous Orders"), issued on January 14, 2025, in Case Nos. 24746, 24747, 24748, and 24749, respectively. Flat Creek requests that the order approving the instant application also vacate the Previous Orders.

The completed intervals and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

Landman Michael Gregory

Geologist Thomas M. Anderson

EXHIBITS

5-6

5-6

PROCEDURAL MATTERS

Applicant will seek administrative approval of the non-standard spacing unit. 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

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 457822

QUESTIONS

Operator: Flat Creek Resources, LLC 777 Main St. Fort Worth, TX 76102	OGRID: 374034
	Action Number: 457822
	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)	Not answered.