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

APPLICATIONS OF 3R OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 25323, 25324

AMENDED CONSOLIDATED PRE-HEARING STATEMENT

3R Operating, LLC ("3R" or "Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT ATTORNEYS

3R Operating, LLC Dana S. Hardy

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INTERESTED PARTIES ATTORNEYS

Flat Creek Resources, LLC Sharon T. Shaheen

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Civitas Permian Operating, LLC Ocean Munds-Dry

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STATEMENT OF THE CASES

In Case No. 25323, Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of N/2 of Sections 34 and 35, Township 24 South, Range 26 East, Eddy County, New Mexico. The Unit will be dedicated to the **McMuffin 34 35 Fed Com 701H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 35.

In Case No. 25324, Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizonal spacing unit comprised of S/2 of Sections 34 and 35, Township 24 South, Range 26 East, Eddy County, New Mexico. The Unit will be dedicated to the **McMuffin 34 35 Fed Com 703H** well, which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 35.

The completed intervals of the wells will be orthodox.

Also to be considered will be the cost of drilling and completing the wells, the allocation of the costs, the designation of Applicant as operator of the units and the wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Brian Van Staveren	Landman	Affidavit	Approx. 5
Brian Atwell	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant intends to consolidate these matters for presentation at hearing. Civitas Permian Operating, LLC has withdrawn its objection, therefore, Applicant will present these matters by affidavit.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

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Counsel for 3R Operating, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Prehearing Statement was sent to the following counsel by electronic mail on this 18th day of August.

Sharon T. Shaheen Spencer Fane, LLP P.O. Box 2307 Santa Fe, NM 87504-2307 Phone: (505) 986-2678 sshaheen@spencerfane.com Attorneys for Flat Creek Resources, LLC

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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 496811

QUESTIONS

Operator:	OGRID:
3R Operating, LLC	331569
20405 State Highway 249	Action Number:
Houston, TX 77070	496811
	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.	