

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

**APPLICATIONS OF ASCENT ENERGY, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 16481 and 16482

MOTION TO CONTINUE

EOG Y Resources, Inc. ("EOG") moves the Division to continue the above-referenced cases which are currently set for hearing on the November 1, 2018, docket until the December 6, 2018 docket. In support of this Motion, EOG states:

1. Ascent Energy, LLC seeks to pool the uncommitted mineral interest owners in the Bone Spring and Wolfcamp formations underlying two 320-acre horizontal spacing units comprised of the W/2W/2 of Sections 28 and 33, Township 20 South, Range 30 East, NMPM.
2. EOG owns a working interest in the proposed horizontal spacing unit.
3. EOG did not receive notice of this hearing until Friday, October 26. *See* Attachment A. Pre-hearing statements were due on Thursday, October 25.
4. Pursuant to 19.15.4.10(C), a party "shall be entitled to a continuance of any hearing if it did not receive notice of the hearing at least three business days prior to the date for filing a timely appearance as 19.15.4 provides."
5. EOG was prevented from filing a pre-hearing statement because it had not received notice. Accordingly, EOG is entitled to a continuance.

WHEREFORE, for the reasons stated above, EOG Y Resources, Inc. respectfully requests that the Division continue the hearing in the above-referenced cases until the December 6, 2018, Examiner Docket.

Respectfully submitted,

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ATTORNEYS FOR EOG Y RESOURCES

CERTIFICATE OF SERVICE

I hereby certify that on October 29, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

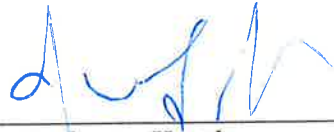
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jamesbruc@aol.com



October 12, 2018

CERTIFIED MAIL

To: Persons on Exhibit A

Ladies and gentlemen:

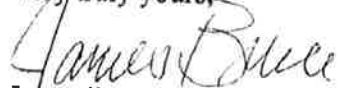
Enclosed are copies of two applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Ascent Energy, LLC, regarding:

1. Case No. 16481, for three Bone Spring wells in the W/2W/2 of Section 28 and W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico; and
2. Case No. 16482, for two Wolfcamp wells in the W/2W/2 of Section 28 and W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on November 1, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, October 25, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Ascent Energy, LLC

Exhibit A

Matador Resources Company
Suite 1500
5400 LBJ Freeway
Dallas, Texas 75240

Attention: Kyle Perkins

EOG Y Resources, Inc.
105 South 4th Street
Artesia, New Mexico 88210

Delmar Lewis Living Trust
P.O. Box 2546
Fort Worth, Texas 76113

Lindy's Living Trust
Suite 302
2400 South Hulen
Fort Worth, Texas 76109

Ard Energy Group Ltd.
P.O. Box 101027
Fort Worth, Texas 76185

Javelina Partners
Zorro Partners, Ltd.
Josephine Hudson Testamentary Trust
616 Texas Street
Fort Worth, 76102

Moore & Shelton Company, Ltd.
P.O. Box 3070
Galveston, Texas 77552

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ASCENT ENERGY, LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 16481

APPLICATION

Ascent Energy, LLC applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33, Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33, and has the right to drill a well or wells thereon.
2. Applicant proposes to drill the following wells to test the Bone Spring formation:
 - (a) The Anvil Fed. Com. Well No. 401H;
 - (b) The Anvil Fed. Com. Well No. 501H; and
 - (c) The Anvil Fed. Com. Well No. 601H.

Applicant will dedicate the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33 to the wells to form a 320-acre horizontal spacing unit in the Bone Spring formation. The wells are all horizontal wells, with first take points in the $SW\frac{1}{4}SW\frac{1}{4}$ of Section 33 and final take points in the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 28.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Bone Spring formation in the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to

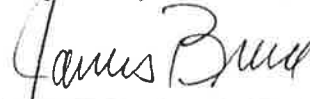
the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation in the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Ascent Energy, LLC

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ASCENT ENERGY, LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 16482

APPLICATION

Ascent Energy, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33, Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33, and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the following wells to test the Wolfcamp formation:

(a) The Anvil Fed. Com. Well No. 701H; and

(b) The Anvil Fed. Com. Well No. 702H.

Applicant will dedicate the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33 to the wells to form a 320-acre horizontal spacing unit in the Wolfcamp formation. The wells are all horizontal wells, with first take points in the $SW\frac{1}{4}SW\frac{1}{4}$ of Section 33 and final take points in the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 28.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Wolfcamp formation in the $W\frac{1}{2}W\frac{1}{2}$ of Section 28 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 33 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests.

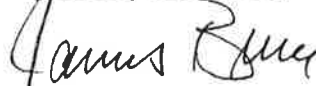
Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation in the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 28 and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 33;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
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Attorney for Ascent Energy, LLC