

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

APPLICATION OF CIVITAS PERMIAN OPERATING, LLC TO EXTEND THE DEADLINE TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-22603-A, LEA COUNTY, NEW MEXICO.

CASE NO. 25010

APPLICATION OF CIVITAS PERMIAN OPERATING, LLC TO EXTEND THE DEADLINE TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-22604-A, LEA COUNTY, NEW MEXICO.

CASE NO. 25012

CONSOLIDATED PRE-HEARING STATEMENT

Civitas Permian Operating, LLC (“Civitas” or “Applicant”) submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Civitas Permian Operating, LLC

Ocean Munds-Dry
Michael Rodriguez
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Santa Fe, NM 87501
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OTHER PARTIES

None.

APPLICANT’S STATEMENT OF THE CASE(S)

In **Case No. 25010**, Applicant seeks an order from the Division to extend the time to commence drilling operations under Order No. R-22603-A. On March 30, 2023, the OCD issued Order No. R-22603 in Case No. 22933, which: a. pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico; b. dedicated the Unit to the Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells (“Wells”); and c. designated Civitas

as operator of the Unit and Wells. On January 31, 2024, the OCD issued Order No. R-22603-A (the “Order”) in Case No. 24007 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As identified in the application in Case No. 24007, the extension request was due to delays in obtaining federal permits for the Wells which are located within the potash area. Good cause exists to extend the deadline to commence drilling operations for the Wells since the drilling permits on file with the Bureau of Land Management are still pending approval. Said area is located approximately 35 miles southwest of Hobbs, New Mexico.

In **Case No. 25012**, Applicant seeks an order from the Division to extend the time to commence drilling operations under Order No. R-22604-A. On March 30, 2023, the OCD issued Order No. R-22604 in Case No. 22934, which: pooled all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico; dedicated the Unit to the Double Stamp Fed Com #111H, #112H, #115H, #121H, #122H, #125H, #127H, #131H, #132H, #135H, #151H, #152H, #171H and #172H wells (“Wells”); and designated Civitas as operator of the Unit and Wells. On January 31, 2024, the OCD issued Order No. R-22604-A (the “Order”) in Case No. 24008 extending the deadline to commence drilling operations for the Wells until March 31, 2025. As identified in the application in Case No. 24008, the extension request was due to delays in obtaining federal permits for the Wells, which are located within the potash area. Good cause exists to extend the deadline to commence drilling operations for the Wells since the drilling permits on file with the Bureau of Land Management are still pending approval. Said area is located approximately 35 miles southwest of Hobbs, New Mexico.

PROPOSED EVIDENCE

| WITNESS | TITLE | ESTIMATED TIME | ESTIMATED EXHIBITS |
|----------------|--------------|-------------------------|---------------------------|
| Chad Matney | Landman | Self-affirmed Statement | 3 |

PROCEDURAL MATTERS

Civitas intends to present the captioned cases by self-affirmed statement if there is no opposition at the time of hearing. Civitas requests the above-captioned cases be consolidated for purposes of hearing.

Respectfully submitted,

Civitas Permian Operating, 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 416682

QUESTIONS

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| Operator: Civitas Permian Operating, LLC 555 17th Street Denver, CO 80202 | OGRID: 332195 |
| | Action Number: 416682 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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|--|---|
| Testimony | |
| <i>Please assist us by provide the following information about your testimony.</i> | |
| Number of witnesses | 1 |
| Testimony time (in minutes) | 0 |