

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

**APPLICATION OF AVANT OPERATING, LLC
FOR COMPULSORY POOLING, AND, TO THE
EXTENT NECESSARY, APPROVAL OF AN
OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24873

AVANT'S PRE-HEARING STATEMENT

Avant Operating, LLC (OGRID No. 330369) ("Applicant" or "Avant"), the Applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Avant Operating, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

In Case No. 24873, Avant seeks an order pooling all uncommitted interests within the Bone Spring Formation, designated as an oil pool (E.K.; Bone Spring Pool, Pool Code 21650) underlying a non-standard 1262.79-acre, more or less, horizontal well spacing unit comprised of Sections 30 and 31, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. Applicant seeks to initially dedicate this horizontal spacing unit to the proposed Speedmaster 30 Fed Com #301, #302, #501, #502, #601, and #602 wells ("Wells"):

- i. **Speedmaster 30 Fed Com #501H** well with a proposed surface hole location in the NW/4 NW/4 (Unit D) of Section 30 and a proposed bottom hole location in the SW/4 SW/4 (Unit M) of Section 31;
- ii. **Speedmaster 30 Fed Com #301H** and **Speedmaster 30 Fed Com**

- #601H wells with proposed first take points in the NW/4 NW/4 (Unit D) of Section 30 and proposed last take points in the SE/4 SW/4 (Unit N) of Section 31;
- iii. **Speedmaster 30 Fed Com #502H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 30 and a proposed bottom hole location in the SE/4 SW/4 (Unit N) of Section 31;
- iv. **Speedmaster 30 Fed Com #302H** and **Speedmaster 30 Fed Com #602H** wells with proposed first take points in the NW/4 NE/4 (Unit B) of Section 30 and proposed last take points in the SW/4 SE/4 (Unit O) of Section 31;
- v. The application originally included the following wells, which **Avant** no longer seek to initially dedicate to the Spacing Unit:
1. **Speedmaster 30 Fed Com #303H** well with a proposed surface hole location in the NE/4 NE/4 (Unit A) of Section 30 and a proposed bottom hole location in the SW/4 SE/4 (Unit O) of Section 31; and
 2. **Speedmaster 30 Fed Com #304H, Speedmaster 30 Fed Com #603H, and Speedmaster 30 Fed Com #604H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 30 and proposed bottom hole locations in the SE/4 SE/4 (Unit P) of Section 31.

The completed interval for each well will be orthodox and comply with statewide setbacks for oil wells. Avant has sought and been unable to obtain voluntary agreement for

the development of these lands from all working interest owners in the subject acreage.

APPLICANTS PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|---------------------------------------|-----------------------|-----------------|
| Ashley St. Pierre, Landman | Affidavit | Approximately 5 |
| Staci Frey, Geologist | Affidavit | Approximately 5 |

PROCEDURAL MATTERS

Avant intends to present this case by affidavit if there is no opposition at the time of the hearing.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

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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 440152

QUESTIONS

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| Operator: Avant Operating, LLC 6001 Deauville Blvd Midland, CO 79706 | OGRID: 330396 |
| | Action Number: 440152 |
| | 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 | 2 |
| Testimony time (in minutes) | 10 |