

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

**APPLICATION OF ADMIRAL PERMIAN  
OPERATING LLC FOR COMPULSORY  
POOLING AND APPROVAL OF NON-  
STANDARD SPACING UNIT, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 25335**

**APPLICATION OF ADMIRAL PERMIAN  
OPERATING LLC FOR COMPULSORY  
POOLING AND APPROVAL OF  
OVERLAPPING SPACING UNIT, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 25336**

**CONSOLIDATED PRE-HEARING STATEMENT**

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

**APPLICANT**

Admiral Permian Operating, LLC

**ATTORNEYS**

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**INTERESTED PARTY**

None.

**ATTORNEYS**

**STATEMENT OF THE CASE**

In **Case No. 25335**, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 1,270.84-acre, more or less, non-standard horizontal spacing unit comprised of all of irregular Sections 5 and 6, Township 24 South, Range 27 East, Eddy County,

New Mexico. The Unit will be dedicated to the following wells: **War Pigeon Fed Com 301H** and **War Pigeon Fed Com 321H**, which will be drilled from surface hole locations in Lot 5 (SW/4 NW/4 equivalent) of Section 6 to bottom hole locations in Lot 1 (NE/4 NE/4 equivalent) of Section 5; **War Pigeon Fed Com 302H** and **War Pigeon Fed Com 322H**, which will be drilled from surface hole locations in Lot 5 (SW/4 NW/4 equivalent) of Section 6 to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 5; **War Pigeon Fed Com 303H** and **War Pigeon Fed Com 323H**, which will be drilled from surface hole locations in Lot 7 (SW/4 SW/4 equivalent) of Section 6 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 5; and **War Pigeon Fed Com 304H** and **War Pigeon Fed Com 324H**, which will be drilled from surface hole locations in Lot 7 (SW/4 SW/4 equivalent) of Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 5. Additionally, Applicant seeks approval of a non-standard spacing unit.

In **Case No. 25336**, Applicant seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,270.84-acre, more or less, standard horizontal spacing unit comprised of all of irregular Sections 5 and 6, Township 24 South, Range 27 East, Eddy County, New Mexico. The Unit will be dedicated to the following wells: **War Pigeon Fed Com 401H** and **War Pigeon Fed Com 441H**, which will be drilled from surface hole locations in Lot 5 (SW/4 NW/4 equivalent) of Section 6 to bottom hole locations in Lot 1 (NE/4 NE/4 equivalent) of Section 5; **War Pigeon Fed Com 421H** and **War Pigeon Fed Com 442H**, which will be drilled from surface hole locations in Lot 5 (SW/4 NW/4 equivalent) of Section 6 to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 5; **War Pigeon Fed Com 422H** and **War Pigeon Fed Com 443H**, which will be drilled from surface hole locations in Lot 7 (SW/4 SW/4 equivalent) of Section 6 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 5; **War Pigeon Fed Com 402H**, which will be drilled from a surface hole location in Lot 5 (SW/4 NW/4 equivalent) of

Section 6 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 5; and **War Pigeon Fed Com 403H**, which will be drilled from a surface hole location in Lot 7 (SW/4 SW/4 equivalent) of Section 6 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 5. The completed interval of the **War Pigeon Fed Com 402H** well will be located within 330' of the half section line separating the N/2 and S/2 of irregular Sections 5 and 6 to allow for the creation of a 1,270.84 standard horizontal spacing unit. The wells will partially overlap with the spacing unit for the Black River State #004H (API No. 30-015-42458), which is located in the S/2 S/2 of Section 5, Township 24 South, Range 27 East, and produces from the Purple Sage; Wolfcamp (Gas) pool (Code 98220).

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**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Hunter Hall	Landman	Affidavit	Approx. 6
Jared Haynes Hammett	Geologist	Affidavit	Approx. 6

**PROCEDURAL MATTERS**

Applicant intends to consolidate these cases for presentation at hearing, and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

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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 457548

**QUESTIONS**

Operator: Admiral Permian Operating LLC 200 N. Loraine St Midland, TX 79701	OGRID: 332762
	Action Number: 457548
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>