

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15992

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15993

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AN UNORTHODOX OIL
WELL LOCATION, AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15994

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15995

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15996

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Ascent Energy, LLC (“applicant” or “Ascent”) as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Ascent Energy, LLC
Attention: Lee Zink

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Centennial Resource Production, LLC

OPPONENT'S ATTORNEY

Michael Feldewert
Adam Rankin

STATEMENT OF THE CASES

APPLICANT

Case No. 15992: Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2E/2 of Section 18, Township 21 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Trucker Fed. Com. Well No. 501H, a horizontal well with a surface location in the SE/4SW/4 of adjoining Section 7, and a terminus in the SW/4SE/4 of Section 18. The producing interval will be orthodox.

Case No. 15993: Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2E/2 of Section 18, Township 21 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Trucker Fed. Com. Well No. 502H, a horizontal well with a surface location in the SE/4SE/4 of adjoining Section 7, and a terminus in the SE/4SE/4 of Section 18. The producing interval will be orthodox.

Case No. 15994: Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2E/2 of Section 18, Township 21 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Trucker Fed. Com. Well No. 601H, a horizontal well with a surface location in the SW/4SE/4 of adjoining Section 7, and a terminus in the SE/4SE/4 of Section 18. The producing interval will be unorthodox.

Case No. 15995: Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2E/2 of Section 18, Township 21 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Trucker Fed. Com. Well No. 701H, a horizontal

well with a surface location in the SW/4SE/4 of adjoining Section 7, and a terminus in the SW/4SE/4 of Section 18. The producing interval will be orthodox

Case No. 15996: Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2E/2 of Section 18, Township 21 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Trucker Fed. Com. Well No. 703H, a horizontal well with a surface location in the SE/4SE/4 of adjoining Section 7, and a terminus in the SE/4SE/4 of Section 18. The producing interval will be orthodox.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

Centennial Resource Production, LLC ("Centennial") has filed counter-applications in Case Nos. 15988, 16016, 16017, and 16018. Applicant requests that Centennial's applications be denied, and that Ascent's applications be approved.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Lee Zink (landman)	25 min.	Approx. 10
William Metz (geologist)	25 min.	Approx. 10
Jody Robins (engineer)	20 Min.	Approx. 4
Dean Gimbel (engineer)	20 Min.	Approx. 4


OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Ascent's cases should be consolidated for hearing with Case Nos. 15988, 16016, 16017, and 16018, filed by Centennial.

Respectfully submitted,



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

Attorney for Ascent Energy, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 8th day of March, 2018 via e-mail:

Michael Feldewert
mfeldewert@hollandhart.com

Adam Rankin
agrarkin@hollandhart.com



James Bruce