

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

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16456**

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**CASE NO. 16457**

**CHISHOLM'S CONSOLIDATED PRE-HEARING STATEMENT**

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Chisholm Energy Operating, LLC

**ATTORNEY**

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## APPLICANT'S STATEMENT OF CASE

In Case No. 16456, Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137) seeks an order pooling all uncommitted interests in the Bone Spring formation in the 160.31-acre horizontal spacing unit comprised of the E/2E/2 of Section 5, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. Chisholm seeks to dedicate the above-referenced horizontal spacing unit to its proposed **Mudshark 5 State 3BS No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4NE/4 (Lot 2) to bottom hole location in the SE/4SE/4 (Unit P) of Section 5. The completed interval for the **Mudshark 5 State 3BS No. 1H Well** will remain within the standard setback as required by the Statewide rules for oil wells

In Case No. 16457, Chisholm seeks an order pooling all uncommitted interests in the Wolfcamp formation in the 320.64-acre horizontal spacing unit comprised of the E/2 of Section 5, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. Chisholm seeks to dedicate the above-referenced horizontal spacing unit to its proposed **Mudshark 5 State WCB No. 2H Well**, which will be horizontally drilled from a surface location in the NW/4NE/4 (Lot 2) to bottom hole location in the SE/4SE/4 (Unit P) of Section 5. The completed interval for the **Mudshark 5 State WCB No. 2H Well** will comply with the Special Rules for the Purple Sage Wolfcamp Gas Pool.

## APPLICANT'S PROPOSED EVIDENCE

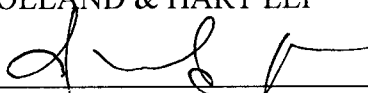
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Luke Shelton, Landman	Approx. 10	Approx. 6
George Roth, Geologist	Approx. 15	Approx. 4

## **PROCEDURAL MATTERS**

Chisholm requests that Case Nos. 16456 and 164567 be presented together at hearing. If uncontested, Chisholm will present these cases by affidavit.

Respectfully submitted,

HOLLAND & HART LLP



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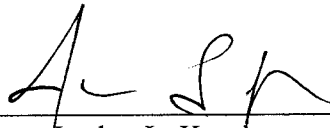
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**ATTORNEYS FOR CHISHOLM ENERGY  
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**CERTIFICATE OF SERVICE**

I hereby certify that on November 8, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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