

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

**APPLICATION OF LIME ROCK RESOURCES II-A, L.P.  
FOR COMPULSORY POOLING, EDDY COUNTY  
NEW MEXICO.**

**Case No. 20319**

**AMENDED PREHEARING STATMENT**

This Pre-hearing Statement is submitted by Ann Landrith Holdings, LLC by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

APPLICANT:

ATTORNEY:

Gary Larson  
Hinkle Shanor LLP  
218 Montezuma Ave.  
Santa Fe, NM 87501  
[glarson@hinklelawfirm.com](mailto:glarson@hinklelawfirm.com)

OPPOSITION OR OTHER PARTY:

Ann Landrith Holdings, LLC

ATTORNEY:

Ernest L. Padilla  
Padilla Law Firm, P.A.  
P.O. Box 2523  
Santa Fe, NM 87504  
(505) 988-7577  
[padillalaw@qwestoffice.net](mailto:padillalaw@qwestoffice.net)

**STATEMENT OF CASE**

APPLICANT:

OPPOSITION OR OTHER PARTY:

Ann Landrith Holdings, LLC contends that the proposed spacing and proration unit violates the pooling provisions of the oil and gas lease between the parties. This case was continued to allow further negotiations between Ann Landrith Holdings representative who

appeared at the hearing and Lime Rock. Following the hearing, Lime Rock has failed or refused to negotiate its originally proposed amendment of the pooling provision of the oil and gas lease in good faith to conform the underlying royalty or other consideration to current horizontal drilling standards and existing market conditions.

### **PROPOSED EVIDENCE**

#### **APPLICANT**

WITNESSES

EST. TIME

EXHIBITS

#### **OPPOSITION**

Don Hanson, Jr.  
Landman/Attorney

15 minutes

5

### **PROCEDURAL MATTERS**

Although this case has been submitted by affidavit, it was continued to allow further negotiation between the parties. Nonetheless, Ann Landrith Holdings LLC should be allowed to present evidence of current royalty rates and practices relative to horizontal drilling as proposed by Lime Rock. Furthermore, this case should be consolidated with Lime Rock Cases 20210 and Percussion Petroleum Operating Cases 20232 and 20371, all of which propose to pool the oil and gas interest covered by an oil and gas lease between Ann Landrith Holdings, LLC, as lessor, and Lime Rock, as lessee.

Ann Landrith Holdings, LLC will file a Motion to Dismiss based on the nature of its objection herein in all of the related cases.

Respectfully submitted:

PADILLA LAW FIRM, P.A.

**/s/ ERNEST L. PADILLA**

ERNEST L. PADILLA

Attorney for EOG Resources, Inc.

PO Box 2523

Santa Fe, New Mexico 87504

505-988-7577

[padillalaw@qwestoffice.net](mailto:padillalaw@qwestoffice.net)

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing pleading was electronically mailed to the following:

Gary Larson  
Hinkle Shanor LLP  
218 Montezuma Ave.  
Santa Fe, NM 87501  
[glarson@hinklelawfirm.com](mailto:glarson@hinklelawfirm.com)

on this 23<sup>rd</sup> day of May, 2019.

**/s/ ERNEST L. PADILLA**