

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

APPLICATION OF CHISHOLM ENERGY OPERATING, LLC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 15989

CHISHOLM'S PRE-HEARING STATEMENT

Chisholm Energy Operating, LLC, the applicant in the above referenced matters, 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

Chisholm Energy Operating, LLC ("Chisholm") seeks an order (1) creating a 240-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 15 and the W/2 NW/4 of Section 22, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. Chisholm proposes to dedicate the above-referenced spacing and proration unit as the project area for the proposed **Dark Canyon 15-22 State Com 3BS No. 4H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 15 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 22.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Luke Shelton– Landman	Approx. 10	Approx. 7
George Roth– Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

Chisholm respectfully requests that Case Nos. 15989 and 15990 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



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