

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. 15990

PRE-HEARING STATEMENT

FINLEY RESOURCES ("Finley"), provisionally provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

FINLEY RESOURCES

FINLEY RESOURCES' ATTORNEY

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APPLICANT

CHISHOLM ENERGY OPERATING,  
LLC

APPLICANT'S ATTORNEY

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STATEMENT OF THE CASE

Applicant Chisholm Energy Operating, LLC seeks an order (1) authorizing a non-standard, 160-acre spacing unit in the Purple Sage Wolfcamp Gas Pool; (2) creating a 480-acre

non-standard spacing and proration unit comprised of the W/2 of Section 15 and the NW/4 of Section 22, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico; and (3) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage.

Finley Resources is the owner of working interests in the S/2 of Section 22. Applicant's unit originally included the SW/4 of Section 22 and provided for two-mile laterals. The recent contraction of the unit to the NW/4 is sub-optimal for the development of Section 22.

**PROPOSED EVIDENCE**

OPPONENT: FINLEY RESOURCES EST. TIME EXHIBITS

WITNESSES:

Scott Ramsey, Landman	15 min.	4
Petroleum Engineer (TBD)	20 min.	TBD
Geologist (TBD)	20 min.	TBD

APPLICANT: CHISHOLM ENERGY OPERATING, LLC EST. TIME EXHIBITS

WITNESSES:

**PROCEDURAL MATTERS**

None.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall

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*Attorneys for Finley Resources*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on February 15, 2018:

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