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

APPLICATION OF CENTENNIAL RESOURCE PRODUCTION, LLC TO RE-OPEN CASE NO. 16265 TO ADD ADDITIONAL INITIAL WELLS UNDER THE TERMS OF COMPULSORY POOLING ORDER R-20001 LEA COUNTY, NEW MEXICO.

CASE NO. 16265 (re-opened)

<u>CENTENNIAL RESOURCE PRODUCTION'S</u> <u>PRE-HEARING STATEMENT</u>

Centennial Resource Production, LLC ("Centennial"), the applicant in the above-

referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation

Division.

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APPEARANCES

APPLICANT

ATTORNEY

Centennial Resource Production, LLC

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APPLICANT'S STATEMENT OF CASE

Centennial (OGRID No. 372165) seeks to amend Order No. R-20001, entered on October 1, 2018, to add two additional initial wells in the Bone Spring formation. Order R-20001 created

a 240-acre non-standard spacing and proration unit consisting of the E/2 SE/4 of Section 1 and the

E/2E/2 of Section 12, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. This order pooled the uncommitted interests in the Bone Spring Formation (Antelope Ridge; Bone Spring, North (Pool Code 2205)) and dedicated the Unit to the **Duck Hunt 1 State Com Well No.** 601H (API No. 30-025-44963). The spacing unit will now be dedicated to three initial wells: the **Duck Hunt 1 State Com Well No. 301H**, the **Duck Hunt 1 State Com Well No. 501H**, and the **Duck Hunt 1 State Com Well No. 601H**. All wells will be drilled horizontally from a surface location in the NE/4 SE/4 (Unit I) of Section 1 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 12. The completed interval for each well will comply with the Statewide setback requirements for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Gavin Smith – Landman	Approx. 10	Approx. 5
John Harper – Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

If unopposed, this case will be presented by affidavit.

HOLLAND & HART LLP

By:

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