

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

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

CASE NO. 20620

CHISHOLM ENERGY OPERATING, LLC'S PRE-HEARING STATEMENT

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), the applicant in the above-referenced case, 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 seeks an order pooling all uncommitted interests in the Bone Spring formation (WC-025 G-06 S213215A;BONE SPRING [97921]) underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 14 and 23, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. Chisholm seeks to dedicate the above-

referenced horizontal spacing unit to its proposed **Aztec 14-23 Fed Com 3BS #3H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 11 to bottom hole location in the SW/4 SW/4 (Unit M) of Section 23. The completed interval for the proposed well will remain within standard setback requirements of the statewide rules for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jacob Daniels, Landman	Approx. 10	Approx. 5
Josh Kuhn, Geologist	Approx. 10	Approx. 3

PROCEDURAL MATTERS

Chisholm intends to present this case by affidavits if it is unopposed at hearing.

Respectfully submitted,

HOLLAND & HART LLP



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