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

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF A NON-STANDARD UNIT, COMPULSORY POOLING AND, TO THE EXTENT NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO

CASE NO. 24774

APPLICATIONS OF MEWBOURNE OIL COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 24892-24893

AVANT OPERATING, LLC'S CONSOLIDATED PRE-HEARING STATEMENT

Avant Operating, LLC ("Avant") submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Avant Operating, LLC

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Yarithza Peña
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OTHER PARTIES

ATTORNEY

Mewbourne Oil Company

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STATEMENT OF CASES

The above captioned cases involve competing development plans for the S/2 of Sections 29 and 30, Township 18 South, Range 32 East, Lea County, New Mexico. Coterra Energy ("Coterra") only recently acquired Avant Operating, LLC ("Avant"), which includes Avant's interest in the acreage at issue in these competing cases in a transaction which closed on January 17, 2025. Avant and Coterra are collectively referred to herein as Coterra. Coterra currently opposes the competing cases filed by Mewbourne Oil Company ("Mewbourne"). Shortly after acquiring Avant, Coterra reached out to Mewbourne to engage in discussions and good faith negotiations to resolve the issue(s) in these competing cases; these discussions and negotiations between the parties continue to this day. As part of its discussions with Mewbourne, Coterra discussed a continuance of these cases to allow additional time for further discussions with Mewbourne. Coterra also needed additional time to prepare for a contested hearing, including preparing testimony and exhibits. As a result of only recently acquiring the acreage at issue in these cases, along with other Avant acreage, Coterra is in the process of gathering information, integrating Avant's data, evaluating this acreage and the other acreage acquired by Coterra, and this evaluation and data integration requires additional time. Coterra desires to operate and develop the acreage and units at issue in these competing cases.

Mewbourne did not agree to Coterra's request to continue these cases. As a result, and given timing constraints, Coterra is not submitting testimony or exhibits. Coterra continues to object to Mewbourne's applications and Coterra reserves the right to cross-examine all Mewbourne witnesses at the February 18, 2025 contested hearing. Coterra also preserves its right to seek de novo review.

The issue to be resolved at the contested hearing in these matters is whether Mewbourne should be designated operator of the acreage and units at issue.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:_

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CERTIFICATE OF SERVICE

I hereby certify that on February 12, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 431065

QUESTIONS

Operator:	OGRID:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	431065
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	