

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

**APPLICATION OF ONEENERGY
PARTNERS OPERATING, LLC FOR A
NON-STANDARD SPACING AND
PRORATION UNIT AND FOR
COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.**

CASE NO. 16037

ONEENERGY'S PRE-HEARING STATEMENT

OneEnergy Partners Operating, LLC ("OEP") (OGRID No. 372031), the applicant in the above referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

OneEnergy Partners Operating, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

OneEnergy Partners Operating, LLC ("OEP") (OGRID No. 372031) seeks an order (1) creating a 320.91-acre, more or less, non-standard spacing and proration unit comprised of the W/2 W/2 of Section 2 and the W/2 W/2 of Section 11, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. OEP proposes to dedicate the above-referenced spacing and proration unit

as the project area for its proposed **County Fair WCA Fed Com 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Lot 4) of Section 2 to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 11. The completed interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 18.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

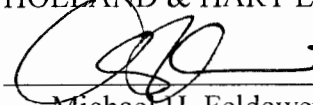
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jeff Lierly, Landman	Approx. 10	Approx. 7
Melissa Saurborn, Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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