

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

**APPLICATION OF ADVANCE ENERGY
PARTNERS, LLC FOR APPROVAL OF
APPLICATIONS FOR PERMITS TO DRILL,
LEA COUNTY, NEW MEXICO**

Case No. 20795

SEP 26 2019 AM 10:56

**ADVANCE ENERGY PARTNERS, LLC'S
PRE-HEARING STATEMENT**

Advance Energy Partners, LLC ("Advance") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

Advance is the applicant in this case. Its business address is 11490 Westheimer Road, Suite 950, Houston, TX 77077. Advance is represented by the undersigned counsel.

STATEMENT OF THE CASE

Advance seeks an order approving its applications for permits to drill six horizontal wells in the SW/4 of Section 17 and the W/2 of Section 20, Township 21 South, Range 33 East in Lea County, New Mexico. The proposed wells are: (1) the Wool Head 20 State Com #601H, which will be horizontally drilled in the Bone Spring formation from a surface location in Unit M in Section 20 to a bottom hole location in Unit L in Section 17; (2) the Wool Head 20 State Com #602H, which will be horizontally drilled in the Bone Spring formation from a surface location in Unit M in Section 20 to a bottom hole location in Unit L in Section 17; (3) the Wool Head 20 State Com #603H, which will be horizontally drilled in the Bone Spring formation from a surface location in Unit N in Section 20 to a bottom hole location in Unit K in Section 17; (4) the Wool Head 20 State Com #604H, which will be horizontally drilled in the Bone Spring formation from

a surface location in Unit N in Section 20 to a bottom hole location in Unit K in Section 17; (5) the Wool Head 20 State Com #701H, which will be horizontally drilled in the Wolfcamp formation from a surface location in Unit M in Section 20 to a bottom hole location in Unit L in Section 17; and (6) the Wool Head 20 State Com #702H, which will be horizontally drilled in the Wolfcamp formation from a surface location in Unit N in Section 20 to a bottom hole location in Unit K in Section 17. The completed intervals for the wells will be orthodox.

Advance's proposed wells will be located in the Potash Area established by Oil Conservation Commission Order No. R-111-P. There are no potash leases within one mile of the well locations, and the nearest active potash mine is eight miles away. Advance's proposed wells will not: (i) unduly reduce the total quantity of commercial deposits of potash which may reasonably be recovered in commercial quantities, or (ii) unduly interfere with the orderly commercial development of potash deposits.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Paul Burdick (Landman)	20 minutes	Approx. 10
Braden Harris (Drilling Engineer)	20 minutes	Approx. 3

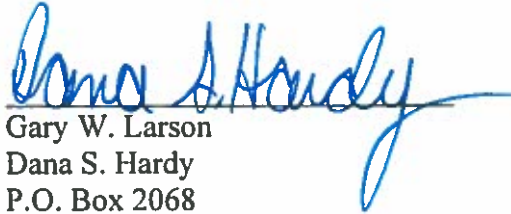
Advance reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

Advance is not aware of any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

HINKLE SHANOR, LLP



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