

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

**APPLICATION OF TITUS OIL & GAS
PRODUCTION, LLC, FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO,**

CASE NO. 21128

PRE-HEARING STATEMENT

TITUS OIL & GAS PRODUCTION, LLC (“Titus”), provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

TITUS OIL & GAS
PRODUCTION, LLC

APPLICANT’S ATTORNEY:

Sharon T. Shaheen, Esq.
John F. McIntyre, Esq.
MONTGOMERY & ANDREWS, P.A.
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
Telephone: (505) 986-2678
Email: sshaheen@montand.com
jmcintyre@montand.com

OTHER PARTY

FRANKLIN MOUNTAIN ENERGY, LLC

OTHER PARTY’S ATTORNEY:

Deana M. Bennett
**MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.**
PO Box 2168
500 Fourth St. NW, Suite 1000
Albuquerque, NM 87103-2168
Telephone: 505.848.1800
Email: dmb@modrall.com

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-09 S263619C [98234]) in a standard 160-acre, more or less, horizontal spacing and proration unit comprised of the W/2 SW/4 of Section 29, Township 26 South, Range 35 East, and the NW/4 NW/4 and Lot 4 of Section 32, Township 26 South, Range 35 East, in Lea County, New Mexico. Section 32 is an irregular section that sits on the Texas border in which the NW/4 NW/4 and Lot 4 would effectively comprise the W/2 NW/4 if it were a standard 640-acre section. Said horizontal spacing unit is to be dedicated to the proposed **El Campeon South Fed Com 431H** well, to be horizontally drilled from an approximate surface hole location 1828' FNL and 682' FWL of Section 29-T26S-R35E, to an approximate bottom hole location 10' FSL and 989' FWL of the irregular Section 32-T26S-R35E. The completed interval and first and last take points for the **El Campeon South Fed Com 431H** well¹ will meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 14 miles southwest of Jal, New Mexico.

Franklin Mountain Energy has entered an appearance in this matter, but does not object to Titus presenting this case by affidavit. At the time of filing this Pre-Hearing Statement, no other party had entered an appearance.

¹ The name and location of the well differ slightly from that originally proposed in the application due to changes requested by the Bureau of Land Management, as will be explained further in testimony or affidavits offered on behalf of Applicant at hearing.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Walter Jones, Landman	15-20 minutes	8-10
Allen Frierson, Geologist	10-15 minutes	5-7

OTHER PARTY:

None anticipated at this time.

PROCEDURAL MATTERS

Assuming no opposition by time of hearing, Applicant will present these matters by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: /s/Sharon T. Shaheen

Sharon T. Shaheen
John F. McIntyre
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
Telephone: (505) 982-2678
Email: sshaheen@montand.com
jmcintyre@montand.com

Attorneys for Titus Oil & Gas, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on February 27, 2020:

Deana M. Bennett
Modrall Sperling Roehl Harris & Sisk, P.A.
P.O. Box 2168
500 Fourth Street, NW
Suite 1000
Albuquerque, New Mexico 87103-2168
(505) 848-1800
dmb@modrall.com

Attorneys for Franklin Mountain Energy, LLC