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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case No. 21505

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

Case No. 21506

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Ascent Energy, LLC as required by the Oil Conservation Division.

APPEARANCES

<u>APPLICANT'S ATTORNEY</u>

Ascent Energy, LLC James Bruce
Attention: Lee Zink P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

<u>OPPONENT</u>'S ATTORNEY

STATEMENT OF THE CASES

APPLICANT

Case No. 21505: Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of Lot 4, SW/4NW/4, and W/2SW/4 (the W/2W/2) of Section 4 and the W/2W/2 of Section 9, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the Silver Fed. Com. Well Nos. 501H, 502H, and 601H, with first take points in the SW/4SW/4 of Section 9 and last take points in Lot 4 of Section 4.

Case No. 21506: Applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of Lot 4, SW/4NW/4, and W/2SW/4 (the W/2W/2) of Section 4 and the W/2W/2 of Section 9, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the Silver Fed. Com. Well No. 701H, with a first take point in the SW/4SW/4 of Section 9 and a last take point in Lot 4 of Section 4.

Also to be considered in each case will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Lee Zink (landman)	15 min.	Approx. 10
William Metz (geologist)	15 min.	Approx. 10

OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

Ascent requests that these matters be consolidated for hearing. If unopposed, they will be presented by affidavit.

Respectfully submitted,

James Bruce

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Attorney for Ascent Energy, LLC