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

APPLICATION OF FASKEN OIL AND RANCH, LTD. TO EXTEND THE DRILLING DEADLINE UNDER ORDER NOS. R-21922 AND R-21922-B LEA COUNTY, NEW MEXICO

CASE NO. 24977

APPLICATION OF FASKEN OIL AND RANCH, LTD. TO EXTEND THE DRILLING DEADLINE UNDER ORDER NOS. R-21923 AND R-21923-B LEA COUNTY, NEW MEXICO

CASE NO. 24978

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by an affected party in these cases as required by Division rules.

APPEARANCES

<u>APPLICANT</u> <u>ATTORNEY</u>

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AFFECTED PARTY

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STATEMENT OF THE CASE

WR Non-Op LLC ("Waterloo") files this pre-hearing statement as a working interest owner in these Units whose interest has not been properly pooled under Order Nos. R-21922 and

R-21922-B, which Fasken seeks to extend in Case No. 24977, and Orders Nos. R-21923 and R-21923-B in Case No. 24978. Waterloo asks the New Mexico Oil Conservation Division ("Division") to find that Fasken has not shown good cause to entitle it to a drilling extension again for a fourth year under the existing pooling orders because Fasken has failed to pool Waterloo's interest.

Whether Fasken has appropriately attempted to pool the parties in the units is proper for consideration by the Division because Fasken must prove good cause for any extension of its pooling orders. Fasken bears the burden of proof that this third extension request is justified, but has not met that burden, because it has failed to diligently develop the Units and properly pool the parties therein.

PROPOSED EVIDENCE

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

Noble Smith TBD Rebuttal Exhibits

PROCEDURAL MATTERS

Waterloo respectfully requests the Division deny Fasken's requested extension of the pooling orders in these cases because Fasken has failed to pool WR's interest in the Units and has not shown good cause for extension of the pooling orders.

Respectfully,

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Attorney for WR Non-Op LLC

CERTIFICATE OF SERVICE

I certify that on this 23rd of January 2025, the foregoing pleading was electronically filed by email with the New Mexico Oil Conservation Division Clerk and served on all parties of record through counsel as follows:

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EMNRD-Oil Conservation Division, Law Clerk

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/s/ Kaitlyn A. Luck