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

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

APPLICATION OF THREE RIVERS OPERATING COMPANY, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

NIZ APR 19 D 0.27 CASE NO. 14827

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Three Rivers Operating Company, LLC ("Three Rivers") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Three Rivers Operating Company, LLC

Michael H. Feldewert Adam G. Rankin Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

STATEMENT OF THE CASE

Three Rivers seeks an (1) creating a non-standard 160-acre spacing and proration unit comprised of the N/2 S/2 of Section 6, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation, Scharb-Bone Spring Pool (Pool 55610), underlying this acreage to form a 160-acre project area in this

formation to be dedicated to the proposed Airstrip 6 State Well No. 2H, which will be horizontally drilled from an orthodox surface location 2171 feet from the South line and 665 feet from the West line (Unit L) to a bottom hole location 1980 feet from the South line and 510 feet from the East line (Unit I) of Section 6.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Tim Kane, Landman	Approx. 20 minutes	Approx. 5
Travis Kinley, Petroleum Geologist	Approx. 20 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR THREE RIVERS OPERATING COMPANY, LLC