

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

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC  
FOR A NON-STANDARD SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 15851 and 15852**

**CHISHOLM'S PRE-HEARING STATEMENT**

Chisholm Energy Operating, LLC, the applicant in the above referenced matters, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Chisholm Energy Operating, LLC

**ATTORNEY**

Michael H. Feldewert, Esq.  
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**APPLICANT'S STATEMENT OF CASE**

In Case No. 15851, Chisholm Energy Operating, LLC ("Chisholm") seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. Chisholm proposes to dedicate the above-referenced spacing and proration unit as the project area for the proposed **Gazelle 32 State 2BS No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) to a standard bottom hole location in the SW/4SW/4 (Unit M) of Section 32.

In Case No. 15852, Chisholm Energy Operating, LLC ("Chisholm") seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation. Chisholm proposes to dedicate the above-referenced spacing and proration unit as the project area for the proposed **Gazelle 32 State 2BS No. 2H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 32.

#### **APPLICANT'S PROPOSED EVIDENCE**

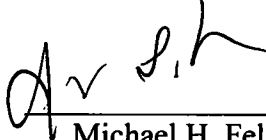
<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Davis Armour– Landman	Approx. 10	Approx. 7
Josh Kuhn– Geologist	Approx. 10	Approx. 4

#### **PROCEDURAL MATTERS**

Chisholm respectfully requests that Case Nos. 15851 and 15852 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



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