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**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,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 15989**

**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**

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**APPLICANT'S STATEMENT OF CASE**

Chisholm Energy Operating, LLC ("Chisholm") seeks an order (1) creating a 240-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 15 and the W/2 NW/4 of Section 22, Township 23 South, Range 26 East, NMPM, Eddy 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 **Dark Canyon 15-22 State Com 3BS No. 4H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 15 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 22.

## **APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Luke Shelton– Landman	Approx. 10	Approx. 7
George Roth– Geologist	Approx. 10	Approx. 4

## **PROCEDURAL MATTERS**

Chisholm respectfully requests that Case Nos. 15989 and 15990 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



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