

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

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

AWO 167018 F-03:22

CASE NOS. 16364, 16365

CHISHOLM ENERGY OPERATING, LLC'S PRE-HEARING STATEMENT

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137) submits the following Prehearing 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 CASES

In Case No. 16364, Chisholm seeks an Order creating a 324.54-acre, more or less, spacing and proration unit comprised Lot 4, SW/4 NW/4, and W/2 SW/4 [W/2 W/2] of Section 1 and the W/2 W/2 of Section 12, Township 19 South, Range 33 East, NMPM, Lea County, New

Mexico, and pooling all uncommitted interests in the Wolcamp formation underlying this acreage. Chisholm proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Buffalo 12-1 Fed Com WCC No. 6H Well**. Chisholm also seeks approval of a non-standard location for the proposed well.

In Case No. 16365, Chisholm seeks an Order creating a 320-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Sections 13 and 24 in Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Chisholm proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed **Buffalo 13-24 Fed Com 1BS No. 6H Well**. Chisholm also seeks approval of a non-standard location for the proposed well.

APPLICANT'S PROPOSED EVIDENCE

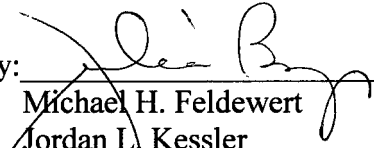
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Davis Armour – Landman	Approx. 15	Approx. 10
Josh Kuhn – Geologist	Approx. 15	Approx. 8

PROCEDURAL MATTERS

Chisholm requests that Cases Nos. 16364 and 16365 be consolidated for hearing. If unopposed, Chisholm will present these cases by affidavits.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

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