

NOTICE OF HEARING

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **April 27, 2017**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **April 17, 2017**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

Case No. 15678: Application of Lime Rock Resources II-A, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in the NW/4 NW/4 of Section 12, Township 18 South, Range 26 East, NMPM, in Eddy County. Applicant will dedicate the acreage to its **Higgins Cahoon 12D #3 well**, which will be vertically drilled in Unit D of Section 12, Township 18 South, Range 26 East. The well will be completed within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Lime Rock Resources II-A, L.P. as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well will be located approximately ten (10) miles southeast of Artesia, New Mexico.

Case No. 15679: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 446.4-acre, more or less, spacing and proration unit comprised of the W/2 of Section 29 and the N/2 NW/4 and Lot 1 and Lot 2 of irregular Section 32, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation. Said non-standard unit is to be dedicated to applicant's proposed **Sidewinder Federal Com No. 4H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 1) of irregular Section 32 to a standard bottomhole location in the NW/4 NW/4 (Unit D) of Section 29. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage-Wolfcamp Gas Pool in Division Order No. R-14262. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 13.5 miles SE of Malaga, New Mexico.

Case No. 15680: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 6 and the E/2 E/2 of Section 7, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the WC-025 G-09 S243532M; Wolfbone Pool (Pool Code 98098) underlying this acreage. Said non-standard unit is to be dedicated to applicant's two proposed wells: the proposed **Stove Pipe Federal Com No. 1H Well** and the proposed **Stove Pipe Federal Com No. 21H Well**, which will be simultaneously drilled and completed in the Wolfbone pool. These two stacked horizontal wells will be pad drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 6 to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 7. The completed interval for each well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles northwest of Jal, New Mexico.

Case No. 15681: Application of Mewbourne Oil Company for a non-standard project area and an unorthodox gas well location, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a non-standard 1280-acre horizontal well project area in the Wolfcamp formation comprised of all of Sections 17 and 20, Township 21 South, Range 25 East, NMPM. Applicant further requests approval of an unorthodox gas well location (Wildcat-Wolfcamp Gas Pool) for the proposed **Rio Bravo 17/20 W2AP Fed. Com. Well No. 1H**, with a surface location in the NE/4 NE/4 of Section 17 and a bottomhole location in the SE/4SE/4 of Section 20. The first and last take points will be unorthodox. The project area is located approximately 7-1/2 miles south of Seven Rivers, New Mexico.

Case No. 15682: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Minel, Inc. for Wells Operated in Rio Arriba County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Minel, Inc. ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

Case No. 15683: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Nancy Wilcox E Qualls, for Wells Operated in Rio Arriba County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Nancy Wilcox E Qualls ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

Case No. 15684: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Petro Mex, LLC, for Wells Operated in San Juan County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Petro Mex, LLC ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, §70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the

event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

Case No. 15685: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Pierce Production Company, LLC for Wells Operated in Lea County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, (“Bureau”) through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD or Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Pierce Production, LLC (“Operator”) is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

Case No. 15686: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Primal Energy Corporation for Wells Operated in Eddy and Lea Counties, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, (“Bureau”) through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD or Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Primal Energy Corporation (“Operator”) is out of compliance with 19.15.8 NMAC and NMSA 1978, §70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 30th day of March, 2017.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**David R. Catanach
Director, Oil Conservation Division**

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