

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 **January 10, 2019**, in Porter Hall, 1st floor, Wendell Chino Building, 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 needs 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 **December 31, 2018**. Public documents can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/OCD/. A party who plans on using projection equipment at a hearing must contact Ms. Davidson seven business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available.

**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. 20105: Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard 640-acre horizontal spacing unit comprised of the W/2 of Section 35, Township 22 South, Range 28 East and the W/2 of Section 2, Township 22 South, Range 23 East in Eddy County. The horizontal spacing unit will be dedicated to the proposed **Gladiator 35/02 W #1H** well, which will be horizontally drilled from a surface location in Unit D in Section 35, Township 22 South, Range 28 East to a bottom hole location in Unit M of Section 2, Township 23 South, Range 28 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Ridge Runner Resources Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well location is ten (10) miles east of Carlsbad, New Mexico.

Case No. 20106: Amended Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard 640-acre horizontal spacing unit comprised of the W/2 of Section 27 and the W/2 of Section 34, Township 22 South, Range 28 East in Eddy County. The horizontal spacing unit will be dedicated to the proposed **Warrior 2734 W #1H** well, which will be horizontally drilled from a surface location in Unit M in Section 22 to a bottom hole location in Unit M of Section 34, Township 22 South, Range 28 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Ridge Runner Resources Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling

and completing the well. The location of the well is approximately nine (9) miles east of Carlsbad, New Mexico.

Case No. 20107: Amended Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard 640-acre horizontal spacing unit comprised of the E/2 of Section 27 and the E/2 of Section 34, Township 22 South, Range 28 East in Eddy County. The horizontal spacing unit will be dedicated to the proposed **Warrior 2734 W #3H** well, which will be horizontally drilled from a surface location in Unit P in Section 22 to a bottom hole location in Unit P of Section 34, Township 22 South, Range 28 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Ridge Runner Resources Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The location of the well is approximately nine and a half (9 .5) miles east of Carlsbad, New Mexico.

Case No. 20108: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2 SW/4 of Section 33, Township 24 South, Range 35 East, NMPM and Lot 4, SW/4 NW/4, and W/2 SW/4 (the W/2W/2) of Section 4, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the **Gaines Baty Fed. Com. 33 & 4-24S-35E AR Well No. 131H**, a horizontal well with a first take point in the NW/4 SW/4 of Section 33 and a final take point in the SW/4 SW/4 of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles west-northwest of Jal, New Mexico.

Case No. 20109: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 SW/4 of Section 33, Township 24 South, Range 35 East, NMPM and Lot 3, SE/4 NW/4, and E/2SW/4 (the E/2 W/2) of Section 4, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the **Gaines Baty Fed. Com. 33 & 4-24S-35E AR Well No. 132H**, a horizontal well with a first take point in the NE/4 SW/4 of Section 33 and a final take point in the SE/4 SW/4 of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles west-northwest of Jal, New Mexico.

Case No. 20110: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 SW/4 of Section 33, Township 24 South, Range 35 East, NMPM and Lot 4, SW/4 NW/4, and W/2 SW/4 (the W/2 W/2) of Section 4, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the **Gaines Baty Fed. Com. 33 & 4-24S-35E AR Well No. 215H**, a horizontal well with a first take point in the NW/4 SW/4 of Section 33 and a final take point in the SW/4 SW/4 of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles west-northwest of Jal, New Mexico.

Case No. 20111: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 SW/4 of Section 33, Township 24 South, Range 35 East, NMPM and Lot 3, SE/4 NW/4, and E/2 SW/4 (the E/2 W/2) of Section 4, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the **Gaines Baty Fed. Com. 33 & 4-24S-35E AR Well No.**

216H, a horizontal well with a first take point in the NE/4 SW/4 of Section 33 and a final take point in the SE/4SW/4 of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles west-northwest of Jal, New Mexico.

Case No. 20112: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling of all mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the E/2 of Section 1, Township 26 South, Range 29 East, NMPM, and the E/2 of Section 36, Township 25 South, Range 29 East, NMPM. The unit will be dedicated to (i) the **Buffalo Trace 1/36 WIPA Fed. Com. Well No. 1H**, and (ii) the **Buffalo Trace 1/36 WIPA Fed. Com. Well No. 2H**. Both wells are horizontal wells with surface locations in the NE/4 NE/4 of adjoining Section 12, first take points in the SE/4 SE/4 of Section 1, and final take points in the NE/4 NE/4 of Section 36. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 8 miles northeast of where U.S. Highway 285 crosses the New Mexico - Texas state line.

Case No. 20113: Application of Solaris Water Midstream, LLC for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water at depths of 16260 - 17860 feet subsurface into the **Aspen SWD Well No. 1**, located 790 feet from the north line and 230 feet from the west line of Section 35, Township 24 South, Range 33 East, NMPM. The well is located approximately 21-1/2 miles west-northwest of Jal, New Mexico.

Case No. 20114: Application of Solaris Water Midstream, LLC for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water at depths of 15835 - 17160 feet subsurface into the Telluride Fed. SWD Well No. 1, located 1200 feet from the south line and 1020 feet from the east line of Section 3, Township 25 South, Range 34 East, NMPM. The well is located approximately 15-1/2 miles west-northwest of Jal, New Mexico.

Case No. 20115: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Section 13 and the S/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (Carlsbad; Bone Spring, East pool [pool code 91944]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 St Fee Com 335H** well, to be horizontally drilled from an approximate surface hole location 490' FSL and 145' FWL of Section 14 to an approximate bottom hole location 1310' FSL and 230' FEL of Section 13. This well defines the HSU. Also to be drilled are the following infill wells: (1) the **Lone Tree Draw 14-13 St Fee Com 336H** well, to be horizontally drilled from an approximate surface hole location 475' FSL and 145' FWL of Section 14 to an approximate bottom hole location 330' FSL and 230' FEL of Section 13, and (2) the **Lone Tree Draw 14-13 St Fee Com 334H** well, to be horizontally drilled from an approximate surface hole location 2040' FSL and 240' FWL of Section 14 to an approximate bottom hole location 2200' FSL and 230' FEL of Section 13. The completed interval and first and last take points for the Lone Tree Draw 14-13 St Fee Com 335H well, the Lone Tree Draw 14-13 St Fee Com 336H well and the Lone Tree Draw 14-13 St Fee Com 334H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20116: Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 13, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed initial **Delirium State Com 25S27E1313 #201H well**, to be horizontally drilled from an approximate surface location 324' FSL and 851' FWL of Section 13 to a bottom hole location 200' FNL and 638' FWL of Section 13. This well is the "defining well" for this unit. Also to be drilled is the following infill well: **Delirium State Com 25S27E1313 #211H well**, to be horizontally drilled from an approximate surface location 324' FSL and 826' FWL of Section 13 to a bottom hole location 200' FNL and 330' FWL of Section 13. The completed intervals and first and last take points for these wells are within the setbacks required by the Purple Sage-Wolfcamp pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles Southwest of Malaga, New Mexico.

Case No. 20117: Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of Section 13, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed initial **Delirium State Com 25S27E1313 #244H well**, to be horizontally drilled from an approximate surface location 449' FSL and 1046' FEL of Section 13 to a bottom hole location 200' FNL and 750' FEL of Section 13. This is the "defining well" for this unit. Also to be drilled is the following infill well: **Delirium State Com 25S27E1313 #234H well**, to be horizontally drilled from an approximate surface location 449' FSL and 1021' FEL of Section 13 to a bottom hole location 200' FNL and 332' FEL of Section 13. The completed intervals and first and last take points for these wells are within the setbacks required by the Purple Sage-Wolfcamp pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles Southwest of Malaga, New Mexico.

Case No. 20118: Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit, Non-Standard Well Location, and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 480-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 10 and the SW/4 of Section 3, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool; Pool code 98220). Said horizontal spacing unit is to be dedicated to the proposed **Nick Cage Fed Com #201H well**, to be horizontally drilled from an approximate surface location 2416' FSL and 910' FWL of Section 3 to a bottom hole location 5' FSL and 638' FWL of Section 10. This well is the "defining well" for this unit. The completed interval and first and last take points for this well are less than the setbacks required by the Purple Sage-Wolfcamp pool rules, and Applicant therefore requests the Division grant a non-standard location for this well. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southeast of Malaga, New Mexico.

Case No. 20119: Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit, Non-Standard Well Location, and Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of Section 10 and the E/2 of Section 3, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool; Pool code 98220) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Nick Cage Fed Com #244H well**, to be horizontally drilled from an approximate surface location 660' FNL and 571' FEL of Section 3 to a bottom hole location 5' FSL and 750' FEL of Section 10. This well is the "defining well" for this unit. The completed intervals and first and last take points for this well are less than the setbacks required by the Purple Sage-Wolfcamp pool rules, and Applicant therefore requests the Division grant a non-standard location for this well. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southeast of Malaga, New Mexico.

Case No. 20120: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the W/2E/2 of Section 32, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Goose State No. 601H Well**, which will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) to bottom hole location in the NW/4NE/4 (Unit B) of Section 32. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 25 miles west of Eunice, New Mexico.

Case No. 20121: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of Section 22, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Lychee State Com No. 3H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) of Section 22 to bottom hole location in the NE/4NW/4 (Unit C) of Section 15. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 18 miles west of Eunice, New Mexico.

Case No. 20122: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 160.91-acre horizontal spacing unit comprised of the E/2 E/2 of Section 6, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Prickly Pear 6 Federal Com No. 1H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) to bottom hole location in the SE/4SE/4 (Unit P) of Section 6. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 13 miles west of Monument, New Mexico.

Case No. 20123: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners

in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the W/2 W/2 of Section 23, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Brad Lummis Fed Com #111H** Well, which will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) to bottom hole location in the SW/4SW/4 (Unit M) of Section 23. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 34 miles southeast of Carlsbad, New Mexico.

Case No. 20124: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying the 240-acre horizontal spacing unit comprised of the W/2 W/2 of Section 20 and the W/2 NW/4 of Section 29, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Grevey Com 20 & 29-26S-35E AR No. 211H**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 20 to a bottom hole location in the SW/4NW/4 (Unit E) of Section 9. The completed interval for this well will remain within the standard setbacks as required by the statewide rules for oil wells. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 13 miles southwest of Jal., New Mexico.

Case No. 20125: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Kemnitz; Cisco Pool (Pool Code 35720) underlying a 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 27, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Northeast Kemnitz 27 State Com No. 233H** Well, which will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 22 to bottom hole location in the SW/4SE/4 (Unit O) of Section 27. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 12 miles southwest of Lovington, New Mexico.

Case No. 20126: Application of Wishbone Texas Operating Company, LLC for Reinstatement of Injection Well Permits to Enhance Oil Recovery in Denton Devonian Waterflood Project, Lea County, New Mexico. Applicant in the above-styled cause seeks an order reinstating the injection well permits to enhance oil recovery in the Denton Devonian Waterflood Project ("the Project") for the (1) W. T. Mann A Well No. 2, an existing well located 660 feet from the north line and 2310 feet from the east line of Section 36, Township 14 North, Range 37 East, NMPM; and (2) T. D. Pope 36 Well No. 10, an existing well located 350 feet from the north line and 990 feet from the west line of Section 36, Township 14 North, Range 37 East, NMPM. Both wells will inject water produced from the Project area into the Devonian formation. The wells are located approximately 14 miles northeast from Lovington, New Mexico.

Case No. 20127: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the W/2 E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, from 100' below the top of the Wolfcamp formation (12,084'), to the base of the Wolfcamp oil pool; and (2) pooling all mineral interests in the Wolfcamp formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Battle Fee 21-33-34 WC 13H** well, to be horizontally drilled. The producing area for this well will be

orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 23 miles west of Eunice, New Mexico.

Case No. 20128: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the W/2 E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Battle Fee 21-33-34 SB 15H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 23 miles west of Eunice, New Mexico.

Case No. 20129: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the E/2 E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico from 100' below the base of the Second Bone Spring Sand (11,240'), to the base of the Third Bone Spring Sand (11,984'); and (2) pooling all mineral interests in the Bone Spring formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Battle Fee 21-33-34 TB 17H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 23 miles west of Eunice, New Mexico.

Case No. 20130: Application of Marathon Oil Permian LLC for a spacing unit, unorthodox well location, and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, spacing unit covering the E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, into the Wolfcamp Gas Pool; (2) approval of the unorthodox well location; and (3) pooling all mineral interests in the Wolfcamp formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Battle Fee 21-33-34 WD 19H** well, to be horizontally drilled. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 23 miles west of Eunice, New Mexico.

Case No. 20131: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the E/2 E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, from 100' below the top of the Wolfcamp formation (12,084'), to the base of the Wolfcamp oil pool; and (2) pooling all mineral interests in the Wolfcamp formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Battle Fee 21-33-34 WC 20H** well, to be

horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 23 miles west of Eunice, New Mexico.

Case No. 20132: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the E/2 E/2 of Section 6, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Green Naugahyde 6 SB F 5H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 24 miles Northeast of Loving, New Mexico.

Case No. 20133: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing unit covering the W/2 E/2 of Section 6, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Green Naugahyde 6 SB F 8H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 24 miles Northeast of Loving, New Mexico.

Case No. 20134: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, spacing unit covering the E/2 of Section 6, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation underlying this spacing unit. This proposed spacing unit will be dedicated to the **Green Naugahyde 6 WA F 12H, Green Naugahyde 6 WA F 1H, Green Naugahyde 6 WXY F 7H, and Green Naugahyde 6 WXY F 13H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells is drilled and when the wells is completed. Said area is located approximately 24 miles Northeast of Loving, New Mexico.

Case No. 20135: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a Wolfcamp spacing unit; and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the underlying the E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Tomahawk 33 WXY Fed 14H, Tomahawk 33 WA Fed 26H, Tomahawk 33 WA Fed 18H and Tomahawk 33 WXY Fed 21H** wells. All these wells will be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision,

designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the wells are completed. Said area is located approximately 3.5 miles east southeast of Halfway, New Mexico.

Case No. 20136: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a Bone Spring spacing unit; and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the underlying the W/2 E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Tomahawk 33 SB Fed 15H** well, which will be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 3.5 miles east southeast of Halfway, New Mexico.

Case No 20137: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a Wolfcamp spacing unit; and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the underlying the E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Tomahawk 33 WD Fed 19H and Tomahawk 33 WD Fed 27H** wells and both wells will be horizontally drilled. The producing area for these wells will be orthodox or Marathon will obtain separate non-standard location approvals from the Division through administrative applications. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the wells are completed. Said area is located approximately 3.5 miles east southeast of Halfway, New Mexico.

Case No. 20138: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a Bone Spring spacing unit; and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the underlying the E/2 E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Tomahawk 33 SB Fed 22H** well, which will be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 3.5 miles east southeast of Halfway, New Mexico.

Case No. 20139: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Asroc SWD #1** well at a surface location 2017 feet from the South line and 1420 feet from the East line of Section 6, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 17,020' to 18,890'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 19 miles west of Jal, New Mexico.

Case No. 20140: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Eddy County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Quintana SWD #1** well at a surface location 869 feet from the South line and 1730 feet from the East line of Section 36, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico for the purpose of operating a salt water disposal well. NOL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 12,583' -13,656'. NOL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 5 miles south of Carlsbad, New Mexico.

Case No. 20141: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Sparrow SWD #1** well at a surface location 405 feet from the North line and 297 feet from the West line of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 16,940' - 18,658'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 22.6 miles northwest of Jal, New Mexico.

Case 20142: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Trident SWD #1** well at a surface location 240 feet from the North line and 1120 feet from the West line of Section 13, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 16,320' - 18,093'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 21 miles northwest of Jal, New Mexico.

Case No. 20143: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Viper SWD #1** well at a surface location 962 feet from the North line and 1003 feet from the East line of Section 18, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 17,180' – 19,050'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 18 miles west of Jal, New Mexico.

Case No. 20144: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Quality Transport, Inc., for Wells Operated in Eddy, New Mexico. The 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 Quality Transport, Inc. (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover

costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Case No. 20145: Application of MRC Permian Company and Matador Production Company for rescission of API Numbers assigned to seven Applications for Permit to Drill issued to COG Operating LLC, Lea County, New Mexico. Applicants seek an order rescinding the API Numbers assigned to the following federal APDs obtained by COG Operating LLC for the following wells located in Township 25 South, Range 35 East, N.M.P.M, Lea County, New Mexico:

- (a) Fez Fed. Com. Well No. 601H, with a 320 acre horizontal spacing unit comprised of the E2/W2 of Section 9 and the E/2W/2 of Section 4 (API No. 30-025-45274);
- (b) Fez Fed. Com. Well No. 602H, with a 320 acre horizontal spacing unit comprised of the E2/W2 of Section 9 and the E/2W/2 of 4 (API No. 30-025-45275);
- (c) Fez Fed. Com. Well No. 603H, with a 320 acre horizontal spacing unit comprised of the W2/W2 of Section 9 and the W/2W/2 of Section 4 (API No. 30-025-45276);
- (d) Fez Fed. Com. Well No. 701H, with a 320 acre horizontal spacing unit comprised of the E2/W2 of Section 9 and the E/2W/2 of Section 4 (API No. 30-025-45277);
- (e) Fez Fed. Com, Well No. 702H, with a 320 acre horizontal spacing unit comprised of the W2/W2 of Section 9 and the W/2W/2 of Section 4 (API No. 30-025-45278);
- (f) Fez Fed Com. Well No. 703H, with a 320 acre horizontal spacing unit comprised of the W2/W2 of Section 9 and the W/2W/2 of Section 4 (API No. 30-025-45279); and
- (g) Fez Fed. Com. Well No. 704H, with a 320 acre horizontal spacing unit comprised of the W2/W2 of Section 9 and the W/2W/2 of Section 4 (API No. 30-025-45280).

The wells are located approximately 10-1/2 miles west-northwest of Jal, New Mexico.

Case No. 20148: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a standard 240-acre horizontal spacing unit comprised of the W/2 NW/4 of Section 25 and the W/2 W/2 of Section 24, Township 21 South, Range 34 East in Lea County. The horizontal spacing unit will be dedicated to the proposed **Dolly Varden 25/24 B2ED State Com #1 H** well, which will be horizontally drilled from a surface location in Unit E in Section 25 to a last take point in Unit D in Section 24, Township 21 South, Range 34 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The location of the well is approximately 12.5 miles west of Eunice, New Mexico.

Case No. 20149: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a standard 240-acre horizontal spacing unit comprised of the W/2 W/2 of Section 26 and the W/2 SW/4 of Section 23, Township 21 South, Range 34 East in Lea County. The horizontal spacing unit will be dedicated to the proposed **Inland 26/23 B2ML State Com #1H and Inland 26/23 B3ML State Com #2 H** wells, both of which will be horizontally drilled from a surface location in Unit M in Section 26 to last take point in Unit L in Section 23, Township 21 South, Range 34 East. The completed intervals for both wells will be orthodox. Also to be considered will be the costs of drilling and completing the wells and the

allocation of the costs, the designation of Mewbourne Oil Company as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The location of the wells is approximately 12.5 miles west of Eunice, New Mexico.

Case No. 20150: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Maverick SWD #1** well at a surface location 1246 feet from the South line and 1627 feet from the East line of Section 29, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 16,615' to 18,265'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 18 miles northwest of Jal, NM.

Case No. 20151: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Tomahawk SWD #1** well at a surface location 220 feet from the North line and 2420 feet from the East line of Section 4, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 16,805' to 18,475'. NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 16.9 miles northwest of Jal, New Mexico.

Case No. 20152: Amended Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit, and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (UPPER BONE SPR [97784]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 7H** well, to be horizontally drilled from an approximate surface hole location 481' FSL and 1,122' FEL of Section 19 to an approximate bottom hole location 20' FNL and 1,284' FEL of Section 18. This well defines the HSU. Also to be drilled are the following infill wells: (1) the **Bell Lake 19-18 State Com 9H** well, to be horizontally drilled from an approximate surface hole location 481' FSL and 1,092' FEL of Section 19 to an approximate bottom hole location 20' FNL and 380' FEL of Section 18, and; (2) the **Bell Lake 19-18 State Com 10H** well, to be horizontally drilled from an approximate surface hole location 481' FSL and 1,152' FEL of Section 19 to an approximate bottom hole location 20' FNL and 2,188' FEL of Section 18. The completed intervals and first and last take points for all wells proposed in the unit meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

Case No 20153: Amended Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit, and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 629.6-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (UPPER BONE SPR [97784]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 17H** well, to be horizontally drilled from an approximate surface hole location 538' FSL and 1,922' FWL of Section 19 to

an approximate bottom hole location 20' FNL and 1,388' FWL of Section 18. This well defines the HSU. Also to be drilled is the **Bell Lake 19-18 State Com 13H** infill well, to be horizontally drilled from an approximate surface hole location 538' FSL and 1,952' FWL of Section 19 to an approximate bottom hole location 20' FNL and 2,188' FWL of Section 18. The completed intervals and first and last take points for all wells proposed in the unit meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

Case No. 20154: Application of Devon Energy Production Company, L.P. for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating to the extent necessary a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 E/2 of Sections 16 and 21, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation (WC-025 G-06 S253206M; BONE SPRING [96715]) underlying the HSU. Said standard 320.00 acre horizontal spacing and proration unit is to be dedicated to the applicant's **Marwari 28-16 State Fed Com 238H well**, to be horizontally drilled from an approximate surface location 175' FNL and 925' FEL of Section 28 to a bottom hole location 330' FNL and 660' FEL of Section 16. This well defines the HSU. The completed intervals and first and last take points for this well will be orthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Production Company, L.P. as operator of the well and a 200% charge for risk involved in drilling the well. Said area is located approximately 29 miles Northeast of Jal, New Mexico.

Case No. 20155: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the E/2 E/2 of Section 6 and the E/2 E/2 of Section 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (BOBCAT DRAW; UPPER WOLFCAMP [98094]) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed initial **Jayhawk 7-6 Fed Fee Com 7H Well**, to be horizontally drilled from a surface location 615' FSL and 2,090' FEL of Section 7 to a bottom hole location 20' FNL and 980' FEL of Section 6. This well defines the unit. Also to be drilled is the following infill well: the **Jayhawk 7-6 Fed Fee Com 6H Well**, to be horizontally drilled from a surface location 615' FSL and 2,060' FEL of Section 7 to a bottom hole location 20' FNL and 360' FEL of Section 6. The completed intervals and first and last take points for the Jayhawk 7-6 Fed Fee Com TH Well and the Jayhawk 7-6 Fed Fee Com 6H Well will be within the setbacks required by the Statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 20 miles southwest of Jal, New Mexico.

Case No. 20156: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 E/2 of Section 6 and the W/2 E/2 of Section 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (BOBCAT DRAW; UPPER WOLFCAMP [98094]) underlying the standard unit. Said horizontal spacing unit is to be assigned to the proposed initial **Jayhawk 7-6 Fed Fee Com 16H Well**, to be horizontally drilled from a surface location 615' FSL and 2,150' FEL of Section 7 to a bottom hole location 20' FNL and 2,300' FEL of Section 6. This well is the "defining well" for this unit. Also to be

drilled is the following infill well: the **Jayhawk 7-6 Fed Fee Com 8H Well**, to be horizontally drilled from a surface location 615' FSL and 2,120' FEL of Section 7 to a bottom hole location 20' FNL and 1,660' FEL of Section 6. The completed intervals and first and last take points for the Jayhawk 7-6 Fed Fee Com 16H Well and the Jayhawk 7-6 Fed Fee Com 8H Well will be within the setbacks required by the Statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 20 miles southwest of Jal, New Mexico.

Case No. 20157: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the N/2 N/2 of Section 13 and the N/2 N/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (Carlsbad; Bone Spring, East pool [pool code 91944]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 State Com 332H** well, to be horizontally drilled from an approximate surface hole location 1715' FNL and 240' FWL of Section 14 to an approximate bottom hole location 1310' FNL and 230' FEL of Section 13. This well defines the HSU. Also to be drilled are the following infill wells: (1) the **Lone Tree Draw 14-13 State Com 331H** well, to be horizontally drilled from an approximate surface hole location 925' FNL and 225' FWL of Section 14 to an approximate bottom hole location 440' FNL and 230' FEL of Section 13. The completed intervals and first and last take points for the Lone Tree Draw 14-13 State Com 332H well and the Lone Tree Draw 14-13 State Com 331H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20158: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the S/2 N/2 of Section 13 and the S/2 N/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (Carlsbad; Bone Spring, East pool [pool code 91944]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 State Com 333H** well, to be horizontally drilled from an approximate surface hole location 1730' FNL and 240' FWL of Section 14 to an approximate bottom hole location 2200' FNL and 230' FEL of Section 13. This well defines the HSU. The completed interval and first and last take points for the Lone Tree Draw 14-13 State Com 333H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20159: Amended Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Section 13 and the S/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (Carlsbad; Bone Spring, East pool [pool code 91944]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 State Com 335H** well, to be horizontally drilled from an approximate surface hole location 490' FSL and 145' FWL of Section 14 to an approximate bottom hole location 1310' FSL and 230' FEL of Section 13. This well defines the HSU. Also to be drilled are the following infill wells: (1) the **Lone Tree Draw 14-13**

State Com 336H well, to be horizontally drilled from an approximate surface hole location 475' FSL and 145' FWL of Section 14 to an approximate bottom hole location 330' FSL and 230' FEL of Section 13, and (2) the **Lone Tree Draw 14-13 State Com 334H** well, to be horizontally drilled from an approximate surface hole location 2040' FSL and 240' FWL of Section 14 to an approximate bottom hole location 2200' FSL and 230' FEL of Section 13. The completed intervals and first and last take points for the Lone Tree Draw 14-13 State Com 335H well, the Lone Tree Draw 14-13 State Com 336H well and the Lone Tree Draw 14-13 State Com 334H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20160: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the N/2 N/2 of Section 13 and the N/2 N/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (Alacran Hills Wolfcamp Gas Pool [70070]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 State Com 621H** well, to be horizontally drilled from an approximate surface hole location 940' FNL and 225' FWL of Section 14 to an approximate bottom hole location 440' FNL and 230' FEL of Section 13. This well defines the HSU. The completed interval and first and last take points for the Lone Tree Draw 14-13 State Com 621H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20161: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Section 13 and the S/2 of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (Alacran Hills Wolfcamp Gas Pool [70070]) underlying the standard unit. Said horizontal spacing unit is to be dedicated to the proposed **Lone Tree Draw 14-13 State Com 623H** well, to be horizontally drilled from an approximate surface hole location 2025' FSL and 240' FWL of Section 14 to an approximate bottom hole location 1310' FSL and 230' FEL of Section 13. This well defines the HSU. The completed interval and first and last take points for the Lone Tree Draw 14-13 State Com 623H well meet statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 6 miles northeast of Carlsbad, New Mexico.

Case No. 20162: Application of Cimarex Energy Co. for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: : (1) to the extent necessary, approving the creation of a 160-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Section 13, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. This horizontal spacing unit will be dedicated to the **Dos Equis 13 Federal Com 10H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 26 miles southwest of Hobbs, New Mexico.

Case No. 20163: Application of Marathon Oil Permian LLC for a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) approving the creation of a non-standard 160-acre, more or less, spacing unit covering the E/2 W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico from +/- 11,051' MD as shown in the logs for the **Government "L" No. 1** well (API No. 30-025-25604) to the base of the Bone Spring formation; and (2) pooling all uncommitted mineral interests in the proposed spacing unit. This proposed spacing unit will be dedicated to the **Ned Pepper Federal 24 34 18 TB 4H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 20 miles northwest of Jal, New Mexico.

Case No. 20164: Application of Marathon Oil Permian LLC for a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) approving the creation of a non-standard 160-acre, more or less, spacing unit covering the W/2 W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico from +/- 11,051' MD as shown in the logs for the **Government "L" No. 1** well (API No. 30-025-25604) to the base of the Bone Spring formation; and (2) pooling all uncommitted mineral interests in the proposed spacing unit. This proposed spacing unit will be dedicated to the **Ned Pepper Federal 24 34 18 TB 1H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 20 miles northwest of Jal, New Mexico.

Case No. 20165: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying Sections 34 and 35, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Cerberus 34 WXY Fed Com 1H, Cerberus 34 WD Fed Com 2H, Cerberus 34 WA Fed Com 3H, Cerberus 34 WXY Fed Com 5H, Cerberus 34 WA Fed Com 7H, Cerberus 34 WXY Fed Com 8H, Cerberus 34 WA Fed Com 10H, Cerberus 34 WXY Fed Com 12H, and Cerberus 34 WA Fed Com 13H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.

Case No. 20166: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Homework Larry Federal 22-28-20 TBC 1H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 6 miles East Southeast of Carlsbad, New Mexico.

Case No. 20167: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a

Bone Spring horizontal spacing unit underlying the E/2 W/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Homework Larry Federal 22-28-20 TBC 2H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 6 miles East Southeast of Carlsbad, New Mexico.

Case No. 20201: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Homework Larry Federal 22-28-20 TBC 3H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 6 miles East Southeast of Carlsbad, New Mexico.

Case No. 20168: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 E/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Homework Larry Federal 22-28-20 TBC 4H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 6 miles East Southeast of Carlsbad, New Mexico.

Case No. 20169: Application of Marathon Oil Permian LLC for a spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) approving the creation of a 320-acre, more or less, spacing unit covering the W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico underlying the Wolfcamp formation; and (2) pooling all uncommitted mineral interests in the proposed spacing unit. This proposed spacing unit will be dedicated to the **Ned Pepper Federal 24 34 18 WA 2H, Ned Pepper Federal 24 34 18 WXY 6H, and Ned Pepper Federal 24 34 18 WA 9H** wells, to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the first well is drilled and when completion operations are commenced for the first well drilled. Said area is located approximately 20 miles northwest of Jal, New Mexico.

Case No. 20170: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying Sections 1 and 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Trojan Horse 2 WXY FC 1H, Trojan Horse 2 WB FC 3H, Trojan Horse 2 WXY FC 5H, Trojan Horse 2 WA FC 7H, Trojan Horse 2 WXY FC 8H, Trojan Horse 2 WA FC 10H, Trojan Horse 2 WXY FC 12H, and Trojan Horse 2 WA FC 13H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells,

and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 4 miles North of Loving, New Mexico.

Case No. 20171: Amended Application of Apache Corp. for Compulsory Pooling and Approval of a Horizontal Spacing Unit and Potash Area Development Area, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 800-acre horizontal spacing unit and a potash area development area; and (2) pooling all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. This Development Area will be the horizontal spacing unit for the **Taco 28-30 Federal Com 301H, Taco 28-30 Federal Com 302H, Taco 28-30 Federal Com 303H, Taco 28-30 Federal Com 201H and Taco 28-30 Federal Com 202H** wells, to be horizontally drilled. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located in the Potash Area approximately 21 miles northeast of Carlsbad, New Mexico.

Case 20202: Application of Apache Corp. for Compulsory Pooling and Approval of a Horizontal Spacing Unit and Potash Area Development Area, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 800-acre horizontal spacing unit and a potash area development area; and (2) pooling all uncommitted mineral interests within a horizontal spacing unit underlying the N/2 of Sections 28 and 29 and the NE/4 of Section 30 of Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. This Development Area will be the horizontal spacing unit for the **Taco 28-30 Federal Com 401H, Taco 28-30 Federal Com 402H, and Taco 28-30 Federal Com 403H** wells, to be horizontally drilled. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located in the Potash Area approximately 21 miles northeast of Carlsbad, New Mexico.

Case No. 20172: Application of Ascent Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the N/2S/2 of Section 23 and the N/2S/2 of Section 24, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the **Red Hornet Fed. Com. Well No. 502H** and the **Red Hornet Fed. Com. Well No. 602H**, horizontal Bone Spring wells with first take points in the NE/4SE/4 of Section 24 and last take points in the NW/4SW/4 of Section 23. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 20 miles south-southeast of Loco Hills, New Mexico.

Case No. 20173: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 34, Township 25 South, Range 27 East, NMPM, and the W/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to (i) the **Sarissa Fed. Com. 3403 Well No. 231H**, a horizontal well with a first take point in the NW/4NW/4 of Section 34 and a last take point in the SW/4SW/4 of Section 3, (ii) the **Sarissa Fed. Com. 3403 Well No. 232H**, a horizontal well with a first take point in the NW/4NW/4 of Section 34 and a last take point in the SW/4SW/4 of Section 3, and (iii) the **Sarissa Fed. Com. 3403 Well No. 233H**, a horizontal well with a first take point in the NE/4NW/4 of Section 34 and a last take point in the SE/4SW/4 of Section 3. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in

drilling and completing the wells. The unit is located approximately 10 miles south-southeast of Black River Village, New Mexico.

Case No. 20174: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 9 and the E/2 of Section 16, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to (i) the **Sarissa Fed. Com. 0916 Well No. 234H**, a horizontal well with a first take point in the NW/4NE/4 of Section 9 and a last take point in the SW/4SE/4 of Section 16, (ii) the **Sarissa Fed. Com. 0916 Well No. 235H**, a horizontal well with a first take point in the NE/4NE/4 of Section 9 and a last take point in the SE/4SE/4 of Section 16, and (iii) the **Sarissa Fed. Com. 0916 Well No. 236H**, a horizontal well with a first take point in the NE/4NE/4 of Section 9 and a last take point in the SE/4SE/4 of Section 16. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 11-1/2 miles south-southeast of Black River Village, New Mexico.

Case No. 20175: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 34, Township 25 South, Range 27 East, NMPM, and the W/2W/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to the **Sarissa Fed. Com. 3403 Well No. 121H**, a horizontal well with a surface location in the SW/4 of Section 27, Township 25 South, Range 27 East, NMPM, a first take point in the NW/4NW/4 of Section 34, and a last take point in the SW/4SW/4 of Section 3. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 10 miles south-southeast of Black River Village, New Mexico.

Case No. 20176: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W /2 of Section 34, Township 25 South, Range 27 East, NMPM, and the E/2W/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to the **Sarissa Fed. Com. 3403 Well No. 122H**, a horizontal well with a surface location in the SW/4 of Section 27, Township 25 South, Range 27 East, NMPM, a first take point in the NE/4NW/4 of Section 34, and a last take point in the SE/4SW/4 of Section 3. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 10 miles south-southeast of Black River Village, New Mexico.

Case No. 20177: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 34, Township 25 South, Range 27 East, NMPM, and the W/2E/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to the **Sarissa Fed. Com. 3403 Well No. 123H**, a horizontal well with a surface location in the SE/4 of Section 27, Township 25 South, Range 27 East, NMPM, a first take point in the NW/4NE/4 of Section 34, and a last take point in the SW/4SE/4 of Section 3. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 10-1/2 miles south-southeast of Black River Village, New Mexico.

Case No. 20178: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 34, Township 25 South, Range 27 East, NMPM, and the E/2E/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to the **Sarissa Fed. Com. 3403 Well No. 124H**, a horizontal well with a surface location in the SE/4 of Section 27, Township 25 South, Range 27 East, NMPM, a first take point in the NE/4NE/4 of Section 34, and a last take point in the SE/4SE/4 of Section 3. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 10-1/2 miles south-southeast of Black River Village, New Mexico.

Case No. 20179: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 9 and the W/2 of Section 16, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to (i) the **Sarissa Fed. Com. 0916 Well No. 231H**, a horizontal well with a first take point in the NW/4NW/4 of Section 9 and a last take point in the SW/4SW/4 of Section 16, (ii) the **Sarissa Fed. Com. 0916 Well No. 232H**, a horizontal well with a first take point in the NW/4NW/4 of Section 9 and a last take point in the SW/4SW/4 of Section 16, and (iii) the **Sarissa Fed. Com. 0916 Well No. 233H**, a horizontal well with a first take point in the NE/4NW/4 of Section 9 and a last take point in the SE/4SW/4 of Section 16. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 11 miles south-southeast of Black River Village, New Mexico.

Case No. 20180 : Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 34, Township 25 South, Range 27 East, NMPM, and the E/2 of Section 3, Township 26 South, Range 27 East, NMPM. The unit will be dedicated to (i) the **Sarissa Fed. Com. 3403 Well No. 234H**, a horizontal well with a first take point in the NW/4NE/4 of Section 34 and a last take point in the SW/4SE/4 of Section 3, (ii) the **Sarissa Fed. Com. 3403 Well No. 235H**, a horizontal well with a first take point in the NE/4NE/4 of Section 34 and a last take point in the SE/4SE/4 of Section 3, and (iii) the **Sarissa Fed. Com. 3403 Well No. 236H**, a horizontal well with a first take point in the NE/4NE/4 of Section 34 and a last take point in the SE/4SE/4 of Section 3. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 10-1/2 miles south-southeast of Black River Village, New Mexico.

Case No. 20181: Application of Chisholm Energy Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the E/2 of Section 21 and the E/2 of Section 28, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to two initial wells: its proposed **Cletus 28-21 Fed Com WCB No. 1H** Well and its proposed **Cletus 28-21 Fed Com WCA No. 2H** Well. Both wells will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 28 to bottom hole location in the NW/4NE/4 (Unit B) of Section B. The completed interval for each well will comply with the setback requirements set forth in the Special Rules. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating LLC as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 20 miles southwest of Eunice, New Mexico.

Case No. 20182: Application of Chisholm Energy Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 640-acre horizontal spacing unit comprised of the E/2 of Section 21 and the E/2 of Section 28, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit, including the adjacent proximity tracts, will be dedicated to its **proposed Cletus 28-21 Fed Com BS3 No. 3H** Well, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 28 to bottom hole location in the NW /4NE/4 (Unit B) of Section B. The completed interval will comply with the Statewide rules for oil wells, and the horizontal spacing unit will include the adjacent proximity tracts. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 20 miles southwest of Eunice, New Mexico.

Case No 20183: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the N/2 of Section 11 and the N/2 of Section 12, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to four proposed initial wells:

the proposed **Howitzer Federal Com No. 602H** Well and the proposed Howitzer Federal Com No. 603H Well. Both wells will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 12 to bottom hole location in the NW/4NW/4 (Unit D) of Section 11;

the proposed **Howitzer Federal Com No. 605H** Well and the proposed Howitzer Federal Com No. 606H Well. Both wells will be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 12 to bottom hole location in the S\4N\4 (Unit E) of Section 11.

Pursuant to the Special Rules set forth in Division Order No. R-14262, the completed interval for all four wells will be at an orthodox location no closer than 330 feet from the outer boundary of the spacing unit. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 2 miles northeast of Malaga, New Mexico.

Case No 20184: Application of Novo Oil and Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 320-acre, more or less, spacing and proration unit comprised of the W /2 of Section 4, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Goonch Fed Com 04 No. 211H** Well, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) to a standard bottom hole location in in the NW/4NW/4 (Unit D) of Section 4. The completed interval for this well will remain within the offset required by the Special Rules set forth in 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 Novo Oil and Gas Northern Delaware, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles southeast of Carlsbad, New Mexico.

Case No 20185: Application of Novo Oil and Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 4 and the E/2 of Section 9, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Goonch Fed Com 0409 No. 214H** Well, which will be horizontally drilled from a surface location in the

SE/4SE/4 (Unit P) of Section 33, Township 22 South, Range 28 East, to a standard bottom hole location in the SE/4SE/4 (Unit P) of Section 9, Township 23 South, Range 28 East. The completed interval for this well will remain within the offset required by the Special Rules set forth in 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 Novo Oil and Gas Northern Delaware, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located 9 miles southeast of Carlsbad, New Mexico.

Case No. 20186: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in all formations from the surface to the base of the Morrow formation in the following spacing units located in the N/2 of Section 4, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Loving; Morrow, North Gas Pool (80694) and the North Loving Strawn Gas Pool (80710). Applicant proposes a dual recompletion in the 320-acre spacing units in the Morrow and Strawn formations through the **Loving Fed Com Well No. 1 Well**, located at a standard gas well location 1980 feet from the North line and 2235 feet from the West line (Unit F). Also, to be considered will be the cost of drilling and recompleting said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 11 miles north of Loving, New Mexico.

Case No. 20187: Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (97565) comprised of the W/2E/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Lakewood Federal No. 4H Well**, which will be horizontally drilled from a surface location in the SW/4SE/4 (Unit 0) of Section 27 to a standard bottom hole location in the SW/4SE/4 (Unit 0) of Section 34. The completed interval is at an orthodox well location pursuant to the Statewide rules for oil wells. 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 Percussion Petroleum Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles southwest of Atoka, New Mexico.

Case No. 20188: Application of Percussion Petroleum Operating, LLC for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order 1) pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (97565) comprised of the E/2W/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and 2) approving an unorthodox well location. Said horizontal spacing unit is to be dedicated to applicant's proposed **Lakewood Federal No. 9H Well**, which will be horizontally drilled from a surface location in the SW /4SE/4 (Unit 0) of Section 27 to a bottom hole location in the SE/4SW/4 (Unit N) of Section 34. The completed interval is at an unorthodox location. The first take point is 100 feet from the North line, 2609 feet from the West line and the last take point is 100 feet from the South line, 2609 feet from the West line. Accordingly, the completed interval is closer than 330 feet to the East line and encroaches on the spacing unit to the east. 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 Percussion Petroleum Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles southwest of Atoka, New Mexico.

Case No. 20189: Application of Percussion Petroleum Operating, LLC for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order 1) pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (97565) comprised of the W/2W/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and 2) approving an unorthodox well location. Said horizontal spacing unit is to be dedicated to applicant's

proposed **Lakewood Federal No. 15H** Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Lot 4) of Section 3, Township 20 South, Range 25 East to a bottom hole location in the NW/4 NW /4 (Unit D) of Section 34. The completed interval is at an unorthodox location. The first take point is 100 feet from the South line, 1205 feet from the West line and the last take point is 100 feet from the North line, 1205 feet from the West line. Accordingly, the completed interval is closer than 330 feet to the East line and encroaches on the spacing unit to the east. 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 Percussion Petroleum Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles southwest of Atoka, New Mexico.

Case No. 20190: Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (97565) comprised of the E/2E/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Lakewood Federal No. 20H** Well, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 27 to a standard bottom hole location in the SE/4SE/4 (Unit P) of Section 34. The completed interval is at an orthodox well location pursuant to the Statewide rules for oil wells. 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 Percussion Petroleum Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles southwest of Atoka, New Mexico.

Case No. 20191: Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Penaso Draw; San Andres Yeso Pool (50270) comprised of the S/2S/2 of Section 28, and the SE/4SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Nirvana No. 1H** Well, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 27 to a standard bottom hole location in the SE/4SE/4 (Unit P) of Section 29. The well will be at an orthodox location pursuant to Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Percussion Petroleum Operating, LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 8.5 miles southeast of Artesia, New Mexico.

Case No. 20192: Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Artesia; Glorieta Yeso Pool (96830) comprised of the N/2N/2 of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Welch RL State No. 1H** Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a standard bottom hole location in the NW /4 NW /4 (Unit D) of Section 28. The well will be at an orthodox location pursuant to Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Percussion Petroleum Operating, LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 12 miles west of Loco Hills, New Mexico.

Case No. 20193: Application of OXY USA Inc. for Approval of a Pressure Maintenance Project, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order approving a pressure maintenance project in the Bone Spring formation (Pierce Crossing, Bone Spring, East Pool (96473)) underlying a project area comprised of the N/2 of Section 23 and the NW/4 of Section 24, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Produced gas, produced water and carbon dioxide may be

injected into the Second Bone Spring interval through the Cedar Canyon 23 Federal 4H well (API No. 30-015-43281) at a total vertical depth of approximately 8850 feet to approximately 9002 feet along the horizontal portion of the well bore. Oxy seeks approval to inject at the following surface injection pressures:
Produced gas: 4,350 psi
Produced water: 1,770 psi
Carbon dioxide: 2300 psi

The source of the produced gas and produced water will be the Bone Spring and Delaware formations. The source of the carbon dioxide is unknown. Oxy also seeks an exception to the packer setting depth for this injection well and for allowance to use unlined tubing. The proposed project is located approximately ten miles southeast of Loving, New Mexico.

Case No. 20194: Application of OXY USA Inc. for Approval of a Pressure Maintenance Project, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order approving a pressure maintenance project in the Bone Spring formation (Pierce Crossing, Bone Spring, East Pool (96473)) underlying a project area comprised of the S/2 of Section 27 and the S/2 of Section 28, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Produced gas, produced water and carbon dioxide may be injected into the Second Bone Spring interval through the Cedar Canyon 27 Federal 6H well (API No. 30-015-43232) at a total vertical depth of approximately 8718 feet to approximately 8778 feet and the Cedar Canyon 28 Federal 6H well (API No. 30-015-43234) at a total vertical depth of approximately 8619 feet to approximately 8697 feet along the horizontal portion of these wellbores. Oxy seeks approval to inject at the following surface injection pressures:

Produced gas: 4,350 psi
Produced water: 1,720 psi
Carbon dioxide: 2300 psi

The source of the produced gas and produced water will be the Bone Spring and Delaware formations. The source of the carbon dioxide is unknown. Oxy also seeks an exception to the packer setting depth for these injection wells and for allowance to use unlined tubing. The proposed project is located approximately ten miles southeast of Loving, New Mexico.

Case No. 20195: Application of OXY USA Inc. for Approval of a Pressure Maintenance Project, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order approving a pressure maintenance project in the Bone Spring formation (Cedar Canyon Bone Spring Pool (Pool Code 11520)) underlying Section 34, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Produced gas, produced water and carbon dioxide may be injected into the First Bone Spring interval through the Cypress 34 Federal 3H well (API No. 30-015- 35692) at a total vertical depth of approximately 7896 feet to approximately 7949 feet along the horizontal portion of this well bore and into the Second Bone Spring interval through the Cypress 34 Federal 8H well (API No. 30-015-39430) at a total vertical depth of approximately 8658 feet to approximately 8910 feet along the horizontal portion of this wellbore. Oxy seeks approval to inject at the following surface injection pressures:

Cypress 34 Federal 3H (First BS)
Produced gas: 3850 psi
Produced water: 1,580 psi
Carbon dioxide: 2000 psi

Cypress 34 Federal 8H (Second BS)
Produced gas: 4350 psi
Produced water: 1730 psi
Carbon dioxide: 2300 psi

The source of the produced gas and produced water will be the Bone Spring and Delaware formations. The source of the carbon dioxide is unknown. Oxy also seeks an exception to the packer setting depth for these injection wells and for allowance to use unlined tubing. The proposed project is located approximately six miles southeast of Loving, New Mexico.

Case No. 20196: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Lodestone Operating, Inc., for Wells Operated in Lea County, New Mexico. The 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 **Lodestone Operating, Inc.** ("Operator") is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Case No. 20197: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Ruth Oil Co, LLC, for Wells Operated in Eddy and Lea Counties, New Mexico. The 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 **Ruth Oil Co, LLC** ("Operator") is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Case No. 20198: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Robinson Oil, Inc., for Wells Operated in Lea and Eddy Counties, New Mexico. The 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 **Robinson Oil, Inc.** ("Operator") is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2- 14(E).

Case No.20199: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against S & D Partnership, for Wells Operated in Lea County, New Mexico. The 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 **S & D Partnership** ("Operator") is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of

non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Case No. 15414 (re-opened): Application of RKI Exploration and Production, LLC to Re-Open Case No. 15414 To Pool The Interests Of Record Title Owners Under The Terms Of Compulsory Pooling Order R- 14104, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14104 and R-14104-A to include the pooling of record title owners in the Wolfcamp formation underlying the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. Said unit is dedicated to the RDX Federal Com 28 No. 9H Well and is located 10.5 miles southwest of Ross Place, New Mexico.

Case No. 15616 (re-opened): Application of OXY USA Inc. to Re-Open Case No. 15616 for Additional Reporting Pursuant to Order No. R-14322, Eddy County, New Mexico. Applicant in the above-styled cause seeks to 1) make permanent the injection authority set forth in Order No. R-14322; 2) add authorize injection of carbon dioxide; and 3) allow OXY to add additional injection wells to the project area by administrative application. Pursuant to the terms of the order, OXY also seeks to present the results of the pilot project to the Division. The proposed project is located approximately 5 miles east of Malaga, New Mexico

Case No. 16360 (Re-opened): Application of Caza Petroleum, LLC to re-open Case No. 16360 for compulsory pooling, Eddy County, New Mexico. Caza Petroleum, LLC seeks an order and pooling all mineral interests in the Wolfcamp formation underlying a 640 acre horizontal spacing unit comprised of the N/2 of Section 22 and the N/2 of Section 21, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to (i) the **Forehand Ranch 22-21 State Well No. 2H**, and (ii) the **Forehand Ranch 22-21 State Well No. 4H**, horizontal wells drilled from surface locations in the SE/4NE/4 of Section 22 and last take points in the SW/4NW/4 of Section 21. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Caza Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling the wells. The unit is located approximately 6-1/2 miles north-northwest of Black River Village, New Mexico.

Case No. 16414: Amended Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying Sections 19 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Duda Bides Federal 22-28-19 WXY 5H, Duda Bides Federal 22-28-19 WA 6H, and Duda Bides Federal 22-28-19 WXY 10H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 6 miles East Southeast of Carlsbad, New Mexico.

Case No. 16506: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the **Harpoon SWD #1** well at a surface location 172 feet from the South line and 2353 feet from the West line of Section 27, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 16,960' to 18,850' .NGL further seeks approval of the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and requests

that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 16.3 miles northwest of Jal, New Mexico.

Case No. 20078: Amended Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation in the 767.59-acre horizontal spacing unit comprised of the E/2 of Section 19, the E/2 of Section 30, and the E/2 equivalent (N/2 NE/4, Lot 4, Lot 5) of Section 31, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. The horizontal spacing unit will be dedicated to six initial wells, to be drilled simultaneously from two pads:

- The proposed **Way South State Com No. 701H** Well, the proposed Way South State Com No. 702H Well, and the proposed Way South State Com No. 703H Well, to be horizontally drilled from a surface location in the SE/4NE/4 (Lot 5) of Section 31 to a bottom hole location in NE/4NE/4 (Unit A) of Section 19.
- The proposed **Way South State Com No. 704H** Well, to be horizontally drilled from a surface location in the SW/4NE/4 (Lot 4) of Section 31 to a bottom hole location in NE/4NE/4 (Unit A) of Section 19.
- The proposed Way South State Com No. 705H Well, the proposed Way South State Com No. 706H Well, to be horizontally drilled from a surface location in the SW/4NE/4 (Lot 4) of Section 31 to a bottom hole location in NW/4NE/4 (Unit B) of Section 19.

The completed interval for all wells will be at an orthodox location 330 feet from the outer boundary of the spacing unit pursuant to the Special Rules for the Purple Sage Pool. Also, to be considered will be approval of additional initial wells, an extension of the timeframe for drilling and completion thereof, the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles southwest of Malaga, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 17th day of December, 2018.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Heather Riley
Director**

S E A L