

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 **November 15, 2018**, 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 **November 5, 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. 20050: Application of Kaiser-Francis Oil Company for compulsory pooling, Lea County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a 238.80 acre horizontal spacing unit comprised of Lots 3 and 4 (the W/2SW/4) of Section 31, Township 25 South, Range 33 East, N.M.P.M. and Lots 1-4 (the W/2W/2) of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the **Red Hills Well No. 001H** and the **Red Hills Well No. 101H**, horizontal wells with first take points in Lot 3 of Section 31 and last take points in Lot 4 of Section 31. 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 24 miles west of Bennett, New Mexico.

Case No. 20051: Application of Kaiser-Francis Oil Company for compulsory pooling, Lea County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation in a 238.80 acre horizontal spacing unit comprised of Lots 3 and 4 (the W/2SW/4) of Section 31, Township 25 South, Range 33 East, N.M.P.M. and Lots 1-4 (the W/2W/2) of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the **Red Hills Well No. 401H**, a horizontal well with a first take point in Lot 3 of Section 31 and a last take point in Lot 4 of Section 31. 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 24 miles west of Bennett, New Mexico.

Case No. 20052: Application of Kaiser-Francis Oil Company for compulsory pooling, Lea County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the SE/4 of Section 6 and the E/2 of Section 7, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The unit will be dedicated to the **Bell Lake Unit – South Block Well No. 212H**, a horizontal well with first take point in the NE/4SE/4 of Section 6 and a last take point in the SE/4SE/4 of Section 7. 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 wells. The unit is located approximately 21-1/2 miles southwest of Eunice, New Mexico.

Case No. 20053: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 16, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the **Sand Chute 16 B2CN State Com. Well No. 1H**, a horizontal well with a first take point in the NE/4NW/4 of Section 16 and a final take point in the SE/4SW/4 of Section 16. 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 12-1/2 miles west-southwest of Monument, New Mexico.

Case No. 20054: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 16, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the **Sand Chute 16 B2DM State Com. Well No. 1H**, a horizontal well with a first take point in the NW/4NW/4 of Section 16 and a final take point in the SW/4SW/4 of Section 16. 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 12-1/2 miles west-southwest of Monument, New Mexico.

Case No. 20055: 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 W/2 W/2 of Sections 15 and 22, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Frizzle Fry Federal 22-32-15 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 26 miles east northeast of Loving, New Mexico.

Case No. 20056: 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 E/2 W/2 of Sections 15 and 22, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Frizzle Fry Federal 22-32-15 TBU 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 26 miles east northeast of Loving, New Mexico.

Case No. 20057: 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 W/2 of Sections 15 and 22, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Frizzle Fry Federal 22-32-15 WXY 7H** well. Marathon additionally plans to drill the **Frizzle Fry Federal 22-32-15 WA 2H** well in the spacing unit and both 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 26 miles east northeast of Loving, New Mexico.

Case No. 20058: 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 W/2 W/2 of Section 1, Township 26 South, Range 34 East, and W/2 W/2 Section 36, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Mammoth Fed Com 26 34 1 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 14 miles west south west of Jal, New Mexico.

Case No. 20059: 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 E/2 W/2 of Section 1, Township 26 South, Range 34 East, and E/2 W/2 Section 36, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Mammoth Fed Com 26 34 1 TB 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 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 14 miles west south west of Jal, New Mexico.

Case No. 20060: 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 W/2 of Section 1, Township 26 South, Range 34 East and the W/2 of Section 36, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Mammoth Fed Com 26 34 1 WX7 7H** well. Marathon additionally plans to drill the **Mammoth Fed Com 26 34 1 WA 2H and Mammoth Fed Com 26 34 1 WA 11H** 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 wells are completed. Said area is located approximately 14 miles west southwest of Jal, New Mexico.

Case No 20061: 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 E/2 E/2 of Sections 10 and 15, Township 20 South, Range 32 East, Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Queenie Federal 20-32-15 SB 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 28 miles northeast of Loving, New Mexico.

Case No 20062: Application of Marathon Oil Permian LLC for a spacing and 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 W/2 E/2 of Sections 10 and 15, Township 20 South, Range 32 East, Lea County, New Mexico. This proposed spacing unit will be dedicated to the **Queenie Federal 20-32-15 SB 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 28 miles northeast of Loving, New Mexico.

Case No. 20063: 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 **Falcon SWD #1** well at a surface location 1722 feet from the South line and 221 feet from the West line of Section 20, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. The target formation is the Silurian-Devonian formation at a depth of 17,152' - 19,032'. 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. 20064: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 160-acre horizontal spacing unit comprised of the W/2E/2 of Section 22, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Dandie 22 Federal Com No. 602H Well**, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22. The completed interval for this well will comply with Statewide setbacks 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 Centennial Resource Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles northwest of Jal, New Mexico.

Case No. 20065: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 160-acre horizontal spacing unit comprised of the E/2E/2 of Section

22, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Mastiff 22 Federal Com No. 601H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 22. The completed interval for this well will comply with Statewide setbacks 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 Centennial Resource Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles northwest of Jal, New Mexico.

Case No. 20066: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 160-acre horizontal spacing unit comprised of the E/2E/2 of Section 21, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Raider Federal Com No. 101H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 21. The completed interval for this well will comply with Statewide setbacks 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 Centennial Resource Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 17 miles northwest of Jal, New Mexico.

Case No. 20067: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation in the 240-acre horizontal spacing unit comprised of the W/2W/2 of Section 22 and the W/2NW/4 of Section 27, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's two initial wells: its proposed **Romeo Federal Com No. 705H Well** and its proposed **Romeo Federal Com No. 706H Well**. Both wells will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 27. The completed interval for each well will comply with Statewide setbacks 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 Centennial Resource Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northwest of Jal, New Mexico.

Case No 20068: Application of Centennial Resource Production, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 240-acre horizontal spacing unit comprised of the W/2E/2 of Section 22 and the W/2NE/4 of Section 27, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Solomon Federal Com No. 505H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 27. The completed interval for this well will comply with Statewide setbacks 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 Centennial Resource Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northwest of Jal, New Mexico.

Case No. 20069: Application of COG Operating LLC for approval of a remediation plan, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving its proposed remediation plan for a 6 bbl produced water release from a flowline located in the SW/4 SW/4 (Unit M) of Section 17, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. The release area is located near

the Lusk Deep Unit A #019 SWD (API No. 30-025-35244) and approximately 31 miles West of Monument, New Mexico.

Case No. 20070: 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/2E/2 of Section 24 and the E/2E/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to the proposed **Baseball Cap Federal Com No. 601H Well**, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 25 to bottom hole location in the NE/4NE/4 (Unit A) of Section 24. 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 and 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 15 miles northwest of Jal, New Mexico.

Case No. 20071: 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 W/2W/2 of Section 24 and the W/2W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed **Baseball Cap Federal Com No. 607H Well** and the proposed **Baseball Cap Federal Com No. 608H Well**. These wells will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 25 to bottom hole location in the NW/4NW/4 (Unit D) of Section 24. The completed intervals for the Baseball Cap Federal Com No. 608H Well will remain within the standard setbacks as required by the Statewide rules for oil wells. the Baseball Cap Federal Com No. 607H Well is at an unorthodox location. COG will apply administratively for approval of the Baseball Cap Federal Com No. 607H Well unorthodox location. 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 15 miles northwest of Jal, New Mexico.

Case No. 20072: 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 Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 24 and the E/2E/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed **Baseball Cap Federal Com No. 701H Well**, and the proposed **Baseball Cap Federal Com No. 702H Well**. These wells will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 25 to bottom hole location in the NE/4NE/4 (Unit A) of Section 24. The completed intervals for each 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 and 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 15 miles northwest of Jal, New Mexico.

Case No. 20073: 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 Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the W/2W/2 of Section 24 and the W/2W/2 of Section 25, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two initial wells: the proposed **Baseball Cap Federal Com No. 707H Well** and the **proposed Baseball Cap Federal Com No. 708H Well**. These wells will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of

Section 25 to bottom hole location in the NW/4NW/4 (Unit D) of Section 24. The completed intervals for each 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 and 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 15 miles northwest of Jal, New Mexico.

Case No. 20074: 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/2E/2 of Section 10 and the E/2E/2 of Section 15, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to the proposed **Pork Pie State Com No. 601H Well**, to be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 10 to bottom hole location in the SE/4SE/4 (Unit P) 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 and 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 12.5 miles northwest of Jal, New Mexico.

Case No. 20075: 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 W/2E/2 of Section 10 and the W/2E/2 of Section 15, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to the proposed **Pork Pie State Com No. 602H Well**, to be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 10 to bottom hole location in the SW/4SE/4 (Unit O) 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 and 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 12.5 miles northwest of Jal, New Mexico.

Case No. 20076: 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 Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 10 and the E/2E/2 of Section 15, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two proposed initial wells: the proposed **Pork Pie State Com No. 701H Well** and the proposed **Pork Pie State Com No. 702H Well**. Both wells will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 10 to bottom hole location in the SE/4SE/4 (Unit P) of Section 15. The completed interval for each 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 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 12.5 miles northwest of Jal, New Mexico.

Case No. 20077: 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 Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the W/2E/2 of Section 10 and the W/2E/2 of Section 15, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. COG seeks to dedicate the above-referenced horizontal spacing unit to two proposed initial wells: the proposed **Pork Pie State Com No. 703H Well** and the proposed **Pork Pie State Com No. 704H**

Well. Both wells will be horizontally drilled from a surface location in the NW/4NE/4 (Unit B) of Section 10 to bottom hole location in the SW/4SE/4 (Unit O) of Section 15. The completed interval for each 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 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 12.5 miles northwest of Jal, New Mexico.

Case No. 20078: 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 eight initial wells, to be drilled simultaneously from three 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**, the proposed **Way South State Com No. 707H Well**, and the proposed **Way South State Com No. 708H 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 Way South State Com No. 701H-707H 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. The completed interval for the Way South State Com No. 708H Well will be at a non-standard location. COG will apply administratively for approval of an unorthodox location for the Way South State Com No. 708H Well. 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.

Case No. 20079: Application of XTO Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 34, Township 24 South, Range 29 East and the E/2 E/2 of Section 3, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to two initial wells: the proposed **Corral Canyon 3-34 Fed No. 24H Well** and the proposed **Corral Canyon 3-34 Fed No. 907H Well**. Both wells will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 10, Township 25 South, Range 29 East to bottom hole location in the NE/4NE/4 (Unit A) of Section 34, Township 24 South, Range 29 East. The completed interval for each 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of XTO Energy Inc. as operator of each well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southeast of Malaga, New Mexico.

CASE No. 20080: Application of XTO Energy Inc. 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 640-acre horizontal spacing unit comprised of the E/2 of Section 34, Township 24 South, Range 29 East and the E/2 of Section 3, Township 25 South, Range 29 East, NMPM, Eddy

County, New Mexico. XTO proposes to dedicate the above-referenced horizontal spacing unit to three initial wells: the proposed **Corral Canyon 3-34 Fed No. 108H Well**, the proposed **Corral Canyon 3-34 Fed No. 127H Well**, and the proposed **Corral Canyon 3-34 Fed No. 128H Well**. All three wells will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 10, Township 25 South, Range 29 East to bottom hole location in the NE/4NE/4 (Unit A) of Section 34, Township 24 South, Range 29 East. The completed interval for each 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of XTO Energy Inc. as operator of each well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southeast of Malaga, New Mexico.

Case No. 20081: Application of XTO Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 320-acre horizontal spacing unit comprised of the E/2E/2 of Section 10 and the E/2 E/2 of Section 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to the proposed **Corral Canyon 10-15 Fed No. 12H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 10 to bottom hole location in the SE/4SE/4 (Unit P) 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of XTO Energy Inc. as operator of each well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southeast of Malaga, New Mexico.

Case No. 20082: Application of XTO Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 240-acre horizontal spacing unit comprised of the W/2SE/4 of Section 10 and the W/2 E/2 of Section 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to the proposed **Corral Canyon 10-15 Fed No. 220H Well**, which will be horizontally drilled from a surface location in the NW/4SE/4 (Unit J) of Section 10 to bottom hole location in the SW/4SE/4 (Unit O) 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of XTO Energy Inc. as operator of each well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southeast of Malaga, New Mexico.

Case No. 20083: Application of XTO Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation in the 320-acre horizontal spacing unit comprised of the E/2W/2 of Section 33, Township 24 South, Range 29 East, and the E/2W/2 of Section 4, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to the proposed **Corral Canyon Fed Com No. 18H Well**, which will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 9, Township 25 South, Range 29 East, to a bottom hole location in the NE/4NW/4 (Unit C) of Section 33, Township 24 South, Range 29 East. 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of XTO Energy Inc. as operator of each well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles southeast of Malaga, New Mexico.

Case No. 20084: 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 **Hornet SWD #1** well at a surface location 351 feet from the South line and 333 feet from the West line of Section 6, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. The target formation is the Silurian-Devonian formation at a depth of 18,220' – 19,930'. 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 6 miles west of Bennett, New Mexico.

Case No. 20085: 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 New Mexico Oil Conservation Division (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 E/2 of Sections 21 and 28, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted interests in the Third Bone Spring Sand, Bone Spring formation (BERRY;BONE SPRING, SOUTH [96660]) underlying the HSU. Said horizontal spacing unit is to be assigned to the proposed initial **Chiles 28-21 State Com 1H well**, to be horizontally drilled from an approximate surface location 2310' FEL and 330' FSL of Section 28 to a bottom hole location 380' FEL and 20' FNL of Section 21. This well defines the HSU. The completed intervals and first and last take points for the Chiles 28-21 State Com 1H well are within the setbacks required by state-wide 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 14 miles west of Eunice, New Mexico.

Case No. 20086: 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 W/2 of Section 28 and the W/2 W/2 of Section 33, 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-08 S253235G; BONE SPRING [97903]). Said horizontal spacing unit is to be assigned to the proposed **Van Doo Dah 28-33 Fed Com #231H Well**, to be horizontally drilled from surface location 205' FNL and 410' FWL of Section 28 and a bottom hole location 330' FSL and 330' FWL of Section 33. The completed interval and first and last take points for the Van Doo Dah 28-33 Fed Com #231H Well will remain 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 well and lands are located approximately 24 miles southwest of Malaga, New Mexico.

Case No. 20087: 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 W/2 of Section 28 and the E/2 W/2 of Section 33, Township 25 South, Range 32 East, Lea County, New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S253235G; BONE SPRING [97903]). Said horizontal spacing unit is to be assigned to the proposed **Van Doo Dah 21-33 Fed Com #233H Well**, to be horizontally drilled from a surface location 200' FSL and 1480' FWL of Section 21 and a bottom hole location 330' FSL and 1650' FWL of Section 33. The completed interval and first and last take points for the Van Doo Dah 28-33 Fed Com #233H Well will remain 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 well and lands are located approximately 24 miles southwest of Malaga, New Mexico.

Case No. 20088: 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 28 and the W/2 E/2 of Section 33, Township 25 South, Range 32 East, Lea County, New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S253235G; BONE SPRING [97903]). Said horizontal spacing unit is to be assigned to the proposed **Van Doo Dah 28-33 Fed Com #235H Well**, to be horizontally drilled from a surface location 205' FNL and 1950' FEL of Section 28 and a bottom hole location 330' FSL and 1980' FEL of Section 33. The completed interval and first and last take points for the Van Doo Dah 28-33 Fed Com #235H Well will remain 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 well and lands are located approximately 24 miles southwest of Malaga, New Mexico.

Case No. 20089: 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 28 and the E/2 E/2 of Section 33, Township 25 South, Range 32 East, Lea County, New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation (WC-025 G-08 S253235G; BONE SPRING [97903]). Said horizontal spacing unit is to be assigned to the proposed **Van Doo Dah 28-33 Fed Com #237H Well**, to be horizontally drilled from a surface location 205' FNL and 925' FEL of Section 28 and a bottom hole location 330' FSL and 660' FEL of Section 33. The completed interval and first and last take points for the Van Doo Dah 28-33 Fed Com #237H Well will remain 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 well and lands are located approximately 24 miles southwest of Malaga, New Mexico.

Case No. 20090: Application of Llano Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the San Andres formation in the E/2 E/2 of Section 21, Township 12 South, Range 38 East, NMPM, in Lea County. The 160-acre horizontal spacing unit is to be dedicated to the **07S #1-H well**, which will be horizontally drilled from a surface location in Unit A of Section 28 to a bottom hole location in Unit A of Section 21, Township 12 South, Range 38 East. The completed interval for the well will be unorthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Special Energy Corporation (OGRID No. 138008) as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately ten (10) miles east of Tatum, New Mexico.

Case No. 20091: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 21, Township 26 South, Range 32 East in Lea County. The horizontal spacing unit will be dedicated to the proposed **Red Hills West 21 W0CN Fed Com #1** and **Red Hills West 21 W1CN Fed Com #2 wells**, both of which will be horizontally drilled from a surface location in Unit C to a bottom hole location in Unit N of Section 21, Township 26 South, Range 32 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 forty-two (42) miles west of Jal, New Mexico.

Case No. 20092: Application of Mewbourne Oil Company for a non-standard horizontal spacing unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 200-acre non-standard horizontal spacing unit in the Second Bone Spring Sand zone of the Bone Spring formation comprised of the NE/4 SW/4 and N/2 SE/4 of Section 11 and the N/2 SW/4 of Section 12, Township 19 South, Range 29 East, NMPM, in Eddy County. Applicant further seeks the pooling of all uncommitted mineral interests in the Second Bone Spring Sand underlying the horizontal spacing unit. The unit will be dedicated to the proposed **Sapphire 11/12 B2KK State Com #1H well**, a horizontal well with a surface location in Unit K in Section 11 and a last take point in Unit K in Section 12. 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 well. The location of the well is approximately eleven (11) miles south-southwest of Loco Hills, New Mexico.

Case No. 20093: 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 Devonian formation through the **Thunderbird SWD #1** well at a surface location 190 feet from the South line and 314 feet from the East line of Section 30, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. The target injection interval is the Devonian formation at a depth of 15,430' – 17,100'. 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 6.2 miles west of Jal, New Mexico.

Case No. 16147: Amended 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) creating a 480-acre, more or less, spacing unit in the Wolfcamp formation, comprised of the W/2 of Section 11 and the NW/4 of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing unit. This proposed spacing unit will be for the **Ender Wiggins Fed Com 25-34-14 WA 1H, Ender Wiggins Fed Com 25-34-14 WA 10H, Ender Wiggins Fed Com 25-34-14 WXY 6H**, 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 well, 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 15 miles west northwest of Jal, New Mexico.

Case No. 16265 (re-opened): Application of Centennial Resource Production, LLC to Re-Open Case No. 16265 To Add Additional Initial Wells Under The Terms Of Compulsory Pooling Order R-20001, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-20001 to add additional initial wells dedicated to the spacing unit. The spacing unit is comprised of the E/2 SE/4 of Section 1 and the E/2E/2 of Section 12, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico and will be dedicated to three initial wells: the **Duck Hunt 1 State Com Well No. 301H**, the **Duck Hunt 1 State Com Well No. 501H**, and the **Duck Hunt 1 State Com Well No. 601H**. All wells will be drilled horizontally from a surface location in the NE/4 SE/4 (Unit I) of Section 1 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 12. All wells are at orthodox locations. Said area is located approximately 18 miles southwest of Eunice, New Mexico.

Case No. 16266 (re-opened): Application Centennial Resource Production, LLC to Re-Open Case No. 16266 To Add Additional Initial Wells Under The Terms Of Compulsory Pooling Order R-20002, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-20002 to add additional initial wells dedicated to the spacing unit. The spacing unit is comprised of the W/2 SE/4 of Section 1 and the W/2E/2 of Section 12, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico and will be dedicated to three initial wells: the **Duck Hunt 1 State Com Well No. 302H**, the **Duck Hunt 1 State Com Well No. 502H**, and the **Duck Hunt 1 State Com Well No. 602H**. All wells will be drilled horizontally from a surface location in the NE/4 SE/4 (Unit I) of Section 1 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 12. All wells are at orthodox locations. Said area is located approximately 18 miles southwest of Eunice, New Mexico.

Case No. 16282: Amended Application of Novo Oil & Gas Northern Delaware, LLC, the wholly owned subsidiary of Novo Oil & Gas, LLC, for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 320.00 acre, more or less, spacing unit in the Culebra Bluff; Bone Spring, South Pool (15011) limited to all depths below 8,773 feet to the base of the Bone Spring formation, comprised of the N/2S/2 of Section 4 and N/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests underlying this proposed spacing unit. This non-standard unit is to be dedicated to the applicant's **Rana Salada Fed Com 0504 134H well** which will be horizontally drilled from a surface location in the SE/4SE/4 of Section 6, Township 23 South, Range 29 East, to a first take-point location in the SW/4SW/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the SE/4SE/4 of Section 4, Township 23 South, Range 29 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each 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 wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico.

Case No. 16283: Amended Application of Novo Oil & Gas Northern Delaware, the wholly owned subsidiary of Novo Oil & Gas, LLC, for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 320.00 acre, more or less, spacing unit in the Culebra Bluff; Bone Spring, South Pool (15011) limited to all depths below 8,773 feet to the base of the Bone Spring formation, comprised of the N/2S/2 of Section 4 and N/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests underlying this proposed spacing unit. This non-standard unit is to be dedicated to the applicant's **Rana Salada Fed Com 0504 133H well** which will be horizontally drilled from a surface location in the NE/4SE/4 of Section 6, Township 23 South, Range 29 East, to a first take-point location in the NW/4SW/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the NE/4SE/4 of Section 4, Township 23 South, Range 29 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each 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 wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 18th day of October, 2018.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Heather Riley
Director

SEAL