

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 30, 2017**, 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 20, 2017**. 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; however, the party must provide its own laptop computer.

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

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

Case No. 15873: Application of Sojourner Drilling Corporation for compulsory pooling, Curry County, New Mexico. Applicant seeks an order pooling all mineral interests in the Canyon formation underlying the NE/4 of Section 34, Township 6 North, Range 34 East, NMPM, for all pools or formations developed on 160-acre spacing within that vertical extent, including the WC-009 No. 63434G; Canyon Gas Pool. The unit will be dedicated to the **Frio Lands #1 Well**, a vertical well with a surface location 1929 feet from the North line and 1962 feet from the East line of Section 34. 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 spacing unit is located approximately 20 miles North of Clovis, New Mexico.

Case No. 15874: Application of Apache Corporation For Approval of the Thunderbird Exploratory Unit, Eddy County New Mexico. Applicant seeks approval of its Thunderbird Exploratory Unit consisting of approximately 3,198.44 acres of federal and state lands situated in all or parts of Sections 12, 33, 34, 35 and 36 of Township 16 South, Range 30 East, N.M.P.M and Section 4 of Township 17 South, Range 30 East, N.M.P.M, Eddy County, New Mexico. The unitized interval is the stratigraphic equivalent of the top of the Yeso formation encountered at a measured depth of 4,233' down to the stratigraphic equivalent of the top of the Tubb formation at a measured depth of 5,554' as encountered in the Aspen Federal Com #1 well (API No. 30-015-31656) located in Section 31, Township 16 South, Range 31 East, Eddy County, New Mexico.

Case No. 15875: Application of Great Western Drilling Ltd. for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the W/2 W/2 of Section 34, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Grama Ridge East 34 State 3BS #2H well** to be drilled from an orthodox location approximately 275 feet from the north line and 870 feet from the west line (surface) of Section 34, Township 21 South, Range 34 East, to a landing point approximately 330 feet from the north line and 460 feet from the west line of Section 34, Township 21 South, Range 34 East, and then to a bottom hole location approximately 330 feet from the south line and 460 feet from the west line (terminus) of Section 34, Township 21 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well 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 well. The well and lands are located approximately 20 miles west of Eunice, New Mexico.

Case No. 15876: Application of Great Western Drilling Ltd. for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the E/2 E/2 of Section 34, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Grama Ridge East 34 State 3BS #9H well** to be drilled from an orthodox location approximately 275 feet from the south line and 1220 feet from the east line (surface) of Section 34, Township 21 South, Range 34 East, to a landing point approximately 330 feet from the south line and 460 feet from the east line of Section 34, Township 21 South, Range 34 East, and then to a bottom hole location approximately 330 feet from the north line and 460 feet from the east line (terminus) of Section 34, Township 21 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well 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 well. The well and lands are located approximately 20 miles west of Eunice, New Mexico.

Case No. 15877: Application of Steward Energy II, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 480-acre, non-standard oil spacing and proration unit (project area) comprised of the SE/4 of Section 3 and the E/2 of Section 10, Township 14 South, Range 38 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to the **Pollos Hermanos #2H well**, which will be horizontally drilled from a surface location in Unit O of Section 10 to a bottom hole location in Unit J of Section 3, Township 14 South, Range 38 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Steward Energy II, LLC as the operator of the proposed project area and the Pollos Hermanos #2H well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 16.5 miles northwest of Tatum, New Mexico.

Case No. 15878: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 E/2 of Section 8 and the E/2 E/2 of Section 17, Township 26 South, Range 33 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Bone Spring formation underlying this acreage. The project area is to be dedicated to applicant's **Tigercat Federal Com #1H well**, which will be horizontally drilled from a surface location in Unit B of Section 8 to a bottom hole location in Unit P of Section 17, Township 26 South, Range 33 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC 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 twenty-two (22) miles west of Jal, New Mexico.

Case No. 15879: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the W/2 E/2 of Section 8 and the W/2 E/2 of Section 17, Township 26 South, Range 33 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Bone Spring formation underlying this acreage. The project area is to be dedicated to applicant's **Tigercat Federal Com #2H well**, which will be horizontally drilled from a surface location in Unit B of Section 8 to a bottom hole location in Unit O of Section 17, Township 26 South, Range 33 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC 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 twenty-two (22) miles west of Jal, New Mexico.

Case No. 15880: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 160-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 W/2 of Section 8, Township 26 South, Range 33 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Wolfcamp formation underlying this acreage. The project area is to be dedicated to applicant's **Tigercat Federal Com #3H well**, which will be horizontally drilled from a surface location in Unit C to a bottom hole location in Unit N of Section 8, Township 26 South, Range 33 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC 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 twenty-two (22) miles west of Jal, New Mexico.

Case No. 15881: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 160-acre, non-standard oil spacing and proration unit (project area) comprised of the W/2 W/2 of Section 8, Township 26 South, Range 33 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Bone Spring formation underlying this acreage. The project area is to be dedicated to applicant's **Tigercat Federal Com #4H well**, which will be horizontally drilled from a surface location in Unit C to a bottom hole location in Unit M of Section 8, Township 26 South, Range 33 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC 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 twenty-two (22) miles west of Jal, New Mexico.

Case No. 15882: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 161.39-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (the E/2 E/2) of Section 4, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the **Black Sheep B3PA Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SE/4 SE/4 of Section 4, and a terminus 330 feet from the north line and 380 feet from the east line 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 13 miles west-southwest of Oil Center, New Mexico.

Case No. 15883: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160.26-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (the W/2 E/2) of Section 4, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the **Black Sheep B3OB Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 4, and a terminus 280 feet from the north line and 1675 feet from the east line 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 13 miles west-southwest of Oil Center, New Mexico.

Case No. 15884: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160.12-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (the E/2 W/2) of Section 4, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the **Black Sheep B3NC Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 4, and a terminus 280 feet from the north line and 1980 feet from the west line 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 13-1/2 miles west-southwest of Oil Center, New Mexico.

Case No. 15885: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160.99-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (the W2 W/2) of Section 4, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the **Black Sheep B3MD Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SW/4 of Section 4, and a terminus 330 feet from the north line and 660 feet from the west line 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 13-1/2 miles west-southwest of Oil Center, New Mexico.

Case No. 15886: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 312.51-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 1, NE/4 NW/4, and N/2 NE/4 (the N/2 N/2) of Section 31 and the N/2 N/2 of Section 32, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2 N/2 of Section 31 and the N/2 N/2 of Section 32 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Macho 31/32 B2DA Fed. Com. Well No. 1H**, a horizontal well with a surface location in Lot 1 of Section 31, and a terminus in the NE/4 NE/4 of Section 32. 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 southwest of Loco Hills, New Mexico.

Case No. 15887: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 312.66-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 2, SE/4 NW/4, and S/2 NE/4 (the S/2 N/2) of Section 31 and the S/2 N/2 of Section 32, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 N/2 of Section 31 and the S/2 N/2 of Section 32 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Macho 31/32 B2EH Fed. Com. Well No. 1H**, a horizontal well with a surface location in Lot 2 of Section 31, and a terminus in the SE/4 NE/4 of Section 32. 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 southwest of Loco Hills, New Mexico.

Case No. 15888: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 W/2 of Section 10, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the **Ibex B3NC Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 NW/4 of adjoining Section 15, and a terminus 330 feet from the north line and 1980 feet from the west line of Section 10. 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 19-1/2 miles west-southwest of Eunice, New Mexico.

Case No. 15889: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 E/2 of Section 17, Township 25 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Leslie Fed. Com. Well No. 214H**, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the NE/4 NE/4, of Section 17. 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. 15890: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 E/2 of Section 17, Township 25 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Leslie Fed. Com. Well No. 217H**, a horizontal well with a surface location in the SW/4 SE/4, and a terminus in the NW/4 NE/4, of Section 17. 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. 15891: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 W/2 of Section 11, Township 24 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Charles Ling Fed. Com. Well No. 211H**, a horizontal well with a surface location in SW/4 SW/4, and a terminus in NW/4 NW/4, of Section 11. 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 22-1/2 miles west-northwest of Jal, New Mexico.

Case No. 15892: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 W/2 of Section 11, Township 24 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Charles Ling Fed. Com. Well No. 212H**, a horizontal well with a surface location in SE/4 SW/4, and a terminus in NE/4 NW/4, of Section 11. 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 22-1/2 miles west-northwest of Jal, New Mexico.

Case No. 15893: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 E/2 of Section 11, Township 24 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Charles Ling Fed. Com. Well No. 213H**, a horizontal well with a surface location in SW/4 SE/4, and a terminus in NW/4 NE/4, of Section 11. 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 22 miles west-northwest of Jal, New Mexico.

Case No. 15901: Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 E/2 of Section 11, Township 24 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the **Charles Ling Fed. Com. Well No. 214H**, a horizontal well with a surface location in SE/4 SE/4, and a terminus in NE/4 NE/4, of Section 11. 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 22 miles west-northwest of Jal, New Mexico.

Case Nos. 15341 (re-opened) and 15477 (re-opened): Application of RKI Exploration And Production, LLC To Re-Open Case Nos. 15341 And 15477 Modify Order Nos. R-14016-A And R-14154 To Form A Single Spacing And Proration Unit To Conform With The Purple Sage-Wolfcamp Gas Pool, Eddy County, New Mexico. Applicant in the above-styled cause seeks to re-open Case Nos. 15341 and 15477

to modify Order Nos. R-14016-A and R-14154 to form a single 320-acre spacing and proration unit to conform with the spacing requirements of the Purple Sage-Wolfcamp Gas Pool as set forth in Order No. R-14262. The proposed 320-acre spacing and proration unit is comprised of the E/2 of Section 17, Township 26 South, Range 30 East, NMPM, Eddy County New Mexico. Said area is located approximately 9.5 miles Southwest of Ross Place, New Mexico.

Case No. 15805 (re-opened): Application of XTO Energy Inc. to revise the well name and to dedicate an additional initial well to the non-standard spacing and proration unit under the terms of Order R-14477, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order No. R-14477 to 1) revise the well name for the initial well; and 2) to dedicate an additional initial well to the spacing unit under the terms of compulsory pooling Order No. R-14477. The revised well name for the initial well will be the **Cattle Baron Fed Com No. 2H Well**. XTO further requests that the **Golden Corral Fed Com No. 2H Well** be dedicated to the non-standard spacing and proration unit as an additional initial well. The **Cattle Baron Fed Com No. 2H Well** and the **Golden Corral Fed Com No. 2H Well** will be pad-drilled and simultaneously completed. The **Golden Corral Fed Com No. 2H Well** is a horizontal well to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 6, Township 25 South, Range 29 East, to a standard bottomhole location in the NW/4 SE/4 (Unit J) of Section 31, Township 24 South, Range 29 East. The completed interval will comply with the Statewide setback requirements. Said area is located approximately 6 miles southeast of Malaga, New Mexico.

Case No. 15806 (re-opened): Application of XTO Energy Inc. to revise the well name and to dedicate two additional initial wells to the non-standard spacing and proration unit under the terms of Order R-14478, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order No. R-14478 to 1) revise the well name for the initial well; and 2) to dedicate an additional initial well to the spacing unit under the terms of compulsory pooling Order No. R-14478. The revised well name for the initial well will be the **Sizzler Fed Com No. 2H Well**. XTO further requests that the **Roadhouse Fed Com No. 1H Well** and the **Roadhouse Fed Com No. 2H Well** be dedicated to the non-standard spacing and proration unit as additional initials well. The **Sizzler Fed Com No. 2H Well**, the **Roadhouse Fed Com No. 1H Well**, and the **Roadhouse Fed Com No. 2H Well** will be pad-drilled and simultaneously completed. The **Roadhouse Fed Com No. 1H Well** and the **Roadhouse Fed Com No. 2H Well** are horizontal wells to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 6, Township 25 South, Range 29 East, to a standard bottomhole location in the NW/4 SE/4 (Unit J) of Section 31, Township 24 South, Range 29 East. The completed interval will comply with the setback requirements for the Purple Sage; Wolfcamp Gas Pool. Said area is located approximately 6 miles southeast of Malaga, New Mexico.

Case No. 15747 (re-opened): Application of Matador Production Company to Re-Open Case No. 15747 To Amend the Initial Well Under The Terms Of Compulsory Pooling Order R-14332, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14332 to change the initial well dedicated to the spacing unit to the **Stebbins 19 Federal Com No. 123H** (API No. 30-015-44170), a horizontal well to be drilled 2317 feet from the South line, 520 feet from the East line (Unit I) to a standard bottom hole location 1870 feet from the South line, 240 feet from the West line of Section 19, Township 20 South, Range 29 East, NMPM, in Eddy County, New Mexico. Said unit is located 11 miles northeast of Carlsbad, New Mexico.

Case No. 15867: Amended Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 160-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 34, Township 21 South, Range 34 East, NMPM, Lea County New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Gramma Ridge East 34 State**

2BS No. 8H Well, which will be drilled horizontally from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the NW/4 NE/4 (Unit B) of Section 34. The completed interval for the well will remain within the 330-foot offset 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 Chisholm Energy Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Eunice, New Mexico.

Case No. 15868: Amended Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 160-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 34, Township 21 South, Range 34 East, NMPM, Lea County New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Gramma Ridge East 34 State 2BS No. 9H Well**, which will be drilled horizontally from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the NE/4 NE/4 (Unit A) of Section 34. The completed interval for the well will remain within the 330-foot offset 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 Chisholm Energy Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Eunice, New Mexico.

Case No 15894: Application of Ameredev Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 320-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 4 and the E/2 W/2 of Section 9, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Firethorn Fed Com 26-36-04 No. 113H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 33, Township 25 South, Range 36 East to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 9, Township 26 South, Range 36 East. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southwest of Jal, NM.

Case No. 15895: Application of Chevron U.S.A. Inc. 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, 640-acre spacing and proration unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's three proposed wells: the **CB SE 5 32 Fed Com #11H Well**, the **CB SE 5 32 Fed Com #12H Well**, and the **CB SE 5 32 Fed Com #13H Well**, which will be simultaneously drilled and completed. The **CB SE 5 32 Fed Com #11H Well** and the **CB SE 5 32 Fed Com #12H Well** will be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 5 to a bottom hole location in NW/4 NE/4 (Unit B) of Section 32. The **CB SE 5 32 Fed Com #13H Well** will be drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 5 to a bottom hole location in the NE/4 NE/4 of Section 32. The completed interval for each well will be at a standard 330 foot offset pursuant to the Special Rules for the Purple Sage Wolfcamp Gas Pool (Pool Code 98220). 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 Chevron U.S.A. Inc. as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northeast of Malaga, New Mexico.

Case No. 15896: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 240-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Irregular Section 1 (Lot 2, SW/4 NE/4, and W/2 SE/4) and the W/2 NE/4 of Section 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Ushanka Federal Com No. 23H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Irregular Section 1 to a standard bottom hole location in the SW/4 NE/4 (Unit G) of Section 12. The completed interval for this well will remain within the 330-foot offset 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8.3 miles southwest of Jal, New Mexico.

Case No. 15897: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre, more or less, spacing and proration unit comprised of the E/2 SE/4 of Section 16 and the E/2 NE/4 of Section 21, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Simon Camamile 21-23S-32E AR No. 204H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 21 to a standard bottom hole location in the NE/4 SE/4 (Unit I) of Section 16. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of 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 west of Jal, NM.

Case No. 15898: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre, more or less, spacing and proration unit comprised of the E/2 SE/4 of Section 16 and the E/2 NE/4 of Section 21, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Simon Camamile 21-23S-32E AR No. 124H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 21 to a standard bottom hole location in the NE/4 SE/4 (Unit I) of Section 16. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of 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 west of Jal, NM.

Case No. 15899: Application of Matador Production Company 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, 160-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 21, Township 20 South, Range 29 East, Eddy County, New Mexico and (2) pooling all

uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Cueva De Oro Fed No. 123H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) to a standard bottom hole location in the SW/4 SE/4 (Unit O) of Section 21. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12.7 miles northeast of Carlsbad, NM.

Case No. 15900: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160.48-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 33, Township 22 South, Range 35 East, Lea County, New Mexico and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Bill Alexander State Com 33-22S-35E AR No. 111H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 33. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles southwest of Eunice, NM.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 2nd day of November, 2017.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

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

S E A L