

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 **September 6, 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 **August 27, 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; 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. 16378: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard horizontal spacing unit comprised of the W/2 of Section 25 and the W/2 of Section 36, Township 25 South, Range 26 East, in Eddy County. Applicant will dedicate its **Road Runner Federal Com # 23H** well to the horizontal spacing unit. The well will be horizontally drilled from a surface location in Unit N of Section 36 to a bottom hole location in Unit C of Section 25, Township 25 South, Range 26 East. The completed interval for the well will be orthodox. 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 well location is approximately ten (10) miles southeast of Whites City, New Mexico.

Case No. 16293: Amended Application of Cimarex Energy Co. for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 320-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the W/4 of Sections 11 and 14, Township 24 South, Range 27 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Dos Equis 11-14 Federal Com 4H well**, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation

of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 26 miles southwest of Hobbs, New Mexico

Case No. 16295: Amended Application of Cimarex Energy Co. for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 320-acre, more or less, oil spacing and proration unit in the Wolfcamp formation, comprised of the W/4 of Sections 32, Township 25 South, Range 33 East and W/4 of Section 5, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Red Hills Unit 127H**, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles west of Jal, New Mexico.

Case No. 16379: Application of Cimarex Energy Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 E/2 of Section 7, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be the unit for the **Lea Federal Com 30H well**, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 11.6 miles southeast of the intersection of Hobbs Highway 180 and County Road 27-A/Marathon Road.

Case No. 16380: Application of Chevron U.S.A. Inc. for approval of non-standard oil spacing units and commingling, or alternatively for the contraction of the WC-025 G-06 S263319P, Bone Spring pool and the Sanders Tank; Upper Wolfcamp Pool, and for the creation of new Bone Spring and Upper Wolfcamp pools, special pool rules, and commingling in Section 29 and irregular Section 32, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 949.56 acre, more or less, oil spacing unit in the Bone Spring formation, in Section 29 and irregular Section 32, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico; (2) creating a 949.56, more or less, oil spacing unit in the upper Wolfcamp formation, in Section 29 and irregular Section 32, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico; and (3) approving the commingling of production. Alternatively, Chevron seeks an order (1) contracting the WC-025 G-06 S263319P, Bone Spring pool (Pool Code 97955) and the Sanders Tank; Upper Wolfcamp Pool (Pool Code 98097) in Section 29 and irregular Section 32, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico; (2) creating a new pool which covers the Bone Spring formation from within Section 29 and Section 32; (3) creating a new pool which covers the Upper Wolfcamp formation within Section 29 and Section 32; (3) establishing a spacing based on 160-acre tracts for oil wells completed within these newly formed pools; and (4) approval of commingling of production from the Bone Spring and Upper Wolfcamp pools created. The relief requested is for the development of the **Salado Draw 29 26 33 Fed Com 5H, Salado Draw 29 26 33 Federal Com 1H, Salado Draw 29 26 33 Federal Com 2H, Salado Draw 29 26 33 Federal Com 3H, Salado Draw 29 26 33 Federal Com 4H, Salado Draw 29 26 33 Federal Com 6H, Salado Draw 29 26 33 Federal Com 7H, Salado Draw 29 26 33 Federal Com 8H, Mooses Tooth 29 26 33 Federal Com 1H, SD EA 29 32 Fed Com P10 19H, SD EA 29 32 Fed Com P10 17H, SD EA 29 32 Fed Com P10 18H, SD EA 29 32 Fed Com P10 20H, SD EA 29 32 Fed Com P11 13H, SD EA 29 32 Fed Com P11 14H, SD EA 29 32 Fed Com P11 15H and SD EA 29 32 Fed Com P11 16H** wells. Said area is located approximately 35 miles southeast of Jal, New Mexico.

Case No. 16381: Application of Marathon Oil Permian LLC for a horizontal spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a 1280-acre, more or less, spacing unit in covering Sections 7 and 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing unit will be the unit for the **Crossbow 23 27 8 WXY 2H, Crossbow 23 27 8 WA 4H, Crossbow Federal 23 27 8 WXY 9H, Crossbow Federal 23 27 8 WA 10H, Crossbow Federal 23 27 8 WXY 8H Crossbow Federal 23 27 8 WXY 14H, Crossbow Federal 23 27 8 WA 15H and Crossbow Federal 23 27 8 WA 16H** 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. Said area is located approximately 8 miles southwest of Carlsbad, New Mexico.

Case No. 16382: Application of Read & Stevens, Inc. for a horizontal spacing unit and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 320-acre, more or less, horizontal spacing and proration unit covering the W/2 E/2 of Section 3, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **North Lea 3 Federal Com #2H** well, being 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 Read & Stevens as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles west of Hobbs, New Mexico.

Case No. 16383: Application of Energen Resources Corporation for compulsory pooling, Lea County, New Mexico. Energen Resources Corporation seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2 W/2 of Section 15 and the W/2 W/2 of Section 10, Township 24 South, Range 35 East, NMPM. The unit will be dedicated to the **Brahman State Com. 15-10 Com. Well No. 452H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 15, a first take point in the SW/4 SW/4 of Section 15, and a final take point in the NW/4 NW/4 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 12 miles northwest of Jal, New Mexico

Case No. 16384: Application of Energen Resources Corporation for compulsory pooling, Lea County, New Mexico. Energen Resources Corporation seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of Section 10, Township 24 South, Range 35 East, NMPM. The unit will be dedicated to the **Brahman State Com. 15-10 Com. Well No. 453H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 15, a first take point in the SE/4 SW/4 of Section 15, and a final take point in the NE/4 NW/4 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 12 miles northwest of Jal, New Mexico.

Case No. 16385: Application of Energen Resources Corporation for compulsory pooling, Lea County, New Mexico. Energen Resources Corporation seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of

Section 10, Township 24 South, Range 35 East, NMPM. The unit will be dedicated to the **Brahman State Com. 15-10 Com. Well No. 602H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 15, a first take point in the SE/4 SW/4 of Section 15, and a final take point in the NE/4 NW/4 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 12 miles northwest of Jal, New Mexico.

Case No. 16386: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the W/2 NE/4 of Section 21 and the W/2 E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the **Creedence 21/16 B3GB State Com. Well No. 1H**, a horizontal well a first take point in the SW/4 NE/4 of Section 21 and a last take point in the NW/4 NE/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 1 mile west of Malaga, New Mexico.

Case No. 16387: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the E/2 NE/4 of Section 21 and the E/2 E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the **Creedence 21/16 B3HA State Com. Well No. 1H**, a horizontal well a first take point in the SE/4 NE/4 of Section 21 and a last take point in the NE/4 NE/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 1 mile west of Malaga, New Mexico.

Case No. 16388: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the NE/4 of Section 21 and the E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the **Creedence 21/16 W0GB State Com. Well No. 3H, the Creedence W2GB State Com. Well No. 4H, the Creedence 21/16 W2HA State Com. Well No. 5H, the Creedence 21/16 W2GB State Com. Well No. 6H, and the Creedence 21/16 W2GB State Com. Well No. 7H**, horizontal wells with surface locations in the S/2 NE/4 of Section 21, and final take points in the N/2 NE/4 of Section 16. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 1 mile west of Malaga, New Mexico.

Case No. 16389: 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/2 W/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the **Ibex B3MD Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NW/4 NW/4 of adjoining Section 15, a first take point in the SW/4 SW/4 of Section 15, and a final take point in the NW/4 NW/4 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. 16390: 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/2 E/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the **Ibex B3OB Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NW/4 NE/4 of adjoining Section 15, a first take point in the SW/4 SE/4 of Section 10, and a final take point in the NW/4 NE/4 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. 16391: 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/2 E/2 of Section 4 and the W/2 NE/4 of Section 9, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the **Sand Chute 9/4 B2GB Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 NE/4 of Section 9, and a final take point in the NW/4 NE/4 of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11-1/2 miles west-southwest of Monument, New Mexico.

Case No. 16392: 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/2 E/2 of Section 16 and the W/2 SE/4 of Section 9, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the **Sand Chute 9/16 B2JO Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 NE/4 of Section 9, a first take point in the NW/4 SE/4 of Section 9, and a final take point in the SW/4 SE/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 miles west-southwest of Monument, New Mexico.

Case No. 16393: Application of Southbound Gas Company for approval of a salt water disposal well, Roosevelt County, New Mexico. Applicant seeks an order approving disposal of produced water into the Pennsylvanian formation at depths of 6860-6883 feet subsurface in the **Powell SWD Well No. 1**, located 1980 feet from the north line and 1980 feet from the east line of Section 23, Township 2 South, Range 29 East, NMPM. The well is located approximately 18 miles northwest of Elida, New Mexico.

Case No. 16394: 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, if necessary, a non-standard, 320.50-acre, more or less, non-standard spacing and proration unit comprised of W/2 W/2 of Section 5 and the W/2 W/2 of Section 8, Township 25 South, Range 36 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 the proposed **Pine Straw Fed Com 25 36 08 No. 091H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 8 to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 5. The completed interval for this well will remain within the standard offset required by the statewide rules. 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 Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles northwest of Jal, New Mexico.

Case No. 16395: 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, if necessary, a non-standard, 320-acre, more or less, non-standard spacing and proration unit comprised of W/2 W/2 of Section 5 and the W/2 W/2 of Section 8, Township 25 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 the proposed **Pine Straw Fed Com 25 36 08 No. 101H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 8 to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 5. The completed interval for this well will remain within the standard offset required by the statewide rules. 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 Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles northwest of Jal, New Mexico.

Case No. 16396: Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 320.89-acre, more or less, non-standard spacing and proration unit comprised of the E/2 E/2 of Section 32, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, and Lot 1, SE/4 NE/4, E/2 SE/4 [E/2 E/2] of Section 5, Township 23 South, Range 26 East, NMPM, 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 **Bodacious 5-32 Fed Com 3BS No. 4H Well**, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 5 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32. The completed interval for this well will remain within the standard offset required by the statewide 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 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 7 miles southwest of Carlsbad, New Mexico.

Case No. 16397: Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 641.58-acre, more or less, spacing and proration unit comprised of the E/2 Section 32, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, and Lots 1 and 2, S/2 NE/4, SE/4 [E/2] of Section 5, Township 23 South, Range 26 East, NMPM, Eddy 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 **Bodacious 5-32 Fed Com WCA No. 6H Well**, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 5 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32. The completed interval for this well will remain within the standard offset required by the Special Rules for the Purple Sage Wolfcamp Pool. 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 area is located approximately 7 miles southwest of Carlsbad, New Mexico.

Case No. 16398: Application Of Enduring Resources, LLC For Approval Of The Lone Mesa Unit, San Juan County, New Mexico. Applicant seeks approval of its Lone Mesa Unit consisting of approximately 5,445.18 acres of Federal, State, and Allotted Indian lands situated in all or parts of the Sections 19, 28-33, Township 22 North, Range 8 West, and Sections 25 and 36, Township 22 North, Range 9 West, NMPM, San Juan County, New Mexico. The unitized interval includes all depths. The subject acreage is located approximately 8 miles south of Nageezi, New Mexico.

Case No. 16252: Amended 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 W/2 W/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Bone Spring formation from 11,915 feet to the base of the Bone Spring. Said non-standard unit is to be dedicated to applicant's proposed **Charles Ling Fed Com No. 131H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 11. 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 22 miles northwest of Jal, NM.

Case No. 16253: Amended 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 W/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Bone Spring formation from 11,915 feet to the base of the Bone Spring. Said non-standard unit is to be dedicated to applicant's proposed **Charles Ling Fed Com No. 132H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 11. The completed interval for this well will remain within the 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 22 miles northwest of Jal, NM.

Case No. 16254: Amended 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 W/2 E/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Bone Spring formation from 11,915 feet to the base of the Bone Spring. Said non-standard unit is to be dedicated to applicant's proposed **Charles Ling Fed Com No. 133H 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 11. The completed interval for this well will remain within the 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 22 miles northwest of Jal, NM.

Case No. 16255: Amended 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 W/2 E/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Bone Spring formation from 11,915 feet to the base of the Bone Spring. Said non-standard unit is to be dedicated to applicant's proposed **Charles Ling Fed Com No. 134H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The completed interval for this well will remain within the 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 22 miles northwest of Jal, NM.

Case No. 16399: Application of RKI Exploration and Production, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 320-acre, more or less, spacing and proration unit comprised of the S/2 of Section 10, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Cass Draw 10-23-27 Fee No. 401H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 9 to a standard bottom hole location in in the NE/ SE/4 (Unit I) of Section 10. The completed interval for this well will remain within the offset required by the Special Rules set forth in Order No. R-14262. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of RKI Exploration and Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles south of Carlsbad, New Mexico.

Case No. 16400: Application of RKI Exploration and Production, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 320-acre, more or less, spacing and proration unit comprised of the N/2 of Section 10, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Johnson 10-23-27 Fee No. 401H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 9 to a standard bottom hole location in in the SE/4 NE/4 (Unit H) of Section 10. The completed interval for this well will remain within the offset required by the Special Rules set forth in Order No. R-14262. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of RKI Exploration and Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles south of Carlsbad, New Mexico.

Case No. 16401: Application of RKI Exploration and Production, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 319.80-acre, more or less, spacing and proration unit comprised of the N/2 of Section 4, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Bindel 4 Fee No. 1H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 4. The completed interval for this well will remain within the offset required by the Special Rules set forth in Order No. R-14262. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of RKI Exploration and Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles south of Carlsbad, New Mexico.

Case No. 16402: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico. Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool (72319), San Juan County, New Mexico, to permit it to complete and simultaneously produce five Mesaverde gas wells in the same standard 320-acre, more or less, spacing and proration unit. Hilcorp further seeks approval for the proposed location of the **Martinez Gas Com F 1 Well** (API No. 30-045-07998) in the Mesaverde formation with a surface location in Unit L of the S/2 of Section 24, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico, and authorization to simultaneously complete and produce the Martinez Gas Com F 1 Well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 14 miles east of Bloomfield, NM.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 9th day of August , 2018.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Heather Riley
Director**

S E A L