

SPECIAL DOCKET: OIL CONSERVATION DIVISION HEARINGS
THURSDAY, MARCH 26, 2020 and FRIDAY, MARCH 27, 2020

8:30 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505

Applications for hearing shall be filed at least thirty (30) days in advance of the hearing date. A party who intends to present evidence shall file a pre-hearing statement no later than the close of business on the Thursday prior to the hearing date and serve a copy on the other parties, if any. The hearing examiner will dismiss the application if the applicant does not file and serve a pre-hearing statement as specified above. A party desiring to use projection equipment at the hearing shall contact Florene Davidson, OCD Clerk, no later than seven (7) business days prior to the hearing.

NOTICE: The hearing examiner may call the following cases in any order in his or her discretion.

1. Case No. 20105: Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard 640-acre horizontal spacing unit comprised of the W/2 of Section 35, Township 22 South, Range 28 East and the W/2 of Section 2, Township 22 South, Range 23 East in Eddy County. The horizontal spacing unit will be dedicated to the proposed **Gladiator 35/02 W #1H** well, which will be horizontally drilled from a surface location in Unit D in Section 35, Township 22 South, Range 28 East to a bottom hole location in Unit M of Section 2, Township 23 South, Range 28 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Ridge Runner Resources Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well location is ten (10) miles east of Carlsbad, New Mexico.

2. Case No. 20106: Amended Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a standard 640-acre horizontal spacing unit comprised of the W/2 of Section 27 and the W/2 of Section 34, Township 22 South, Range 28 East in Eddy County. The horizontal spacing unit will be dedicated to the proposed **Warrior 2734 W #1H** well, which will be horizontally drilled from a surface location in Unit M in Section 22 to a bottom hole location in Unit M of Section 34, Township 22 South, Range 28 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Ridge Runner Resources Operating, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The location of the well is approximately nine (9) miles east of Carlsbad, New Mexico.

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

4. Case No. 20717: Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 1,280-acre standard horizontal spacing unit comprised of Sections 27 and 34, Township 22 South, Range 28 East, in Eddy County. The horizontal spacing unit will be dedicated to: (1) the **Warrior Fed Com 2734 B #1H** well, which has a surface location in Unit M in Section 22 and a bottom hole location in Unit M in Section 34; (2) the **Warrior Fed Com 2734 B #2H** well, which has a surface location in Unit P in Section 22 and a bottom hole location in Unit P in Section 34; (3) the **Warrior Fed Com 2734 B #3H** well, which has a surface location in Unit M in Section 22 and a bottom hole location in Unit N in Section 34; and (4) the **Warrior Fed Com 2734 B #4H** well, which has a surface location in Unit P in Section 22 and a bottom hole location in Unit O in Section 34. The completed intervals for the 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 Ridge Runner Resources Operating, LLC as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the well. The well locations are approximately nine (9) miles east of Carlsbad, New Mexico.

5. Case No. 20718: Application of Ridge Runner Resources Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 640-acre standard horizontal spacing unit comprised of the W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 of Section 2, Township 23 South, Range 28 East, in Eddy County. The horizontal spacing unit will be dedicated to: (1) the **Gladiator Fed Com 3502 B #1H** well, which has a surface location in Unit D in Section 35 and a bottom hole location in Unit M in Section 2; and (2) the **Gladiator Fed Com 3502 B #2H** well, which has a surface location in Unit D in Section 35 and a bottom hole location in Unit N in Section 2. The completed intervals for the 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 Ridge Runner Resources Operating, LLC as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the well. The well locations are ten (10) miles east of Carlsbad, New Mexico.

6. Case No. 20840: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Shake-N-Bake 34 SB Fed Com 10H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of 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 5 miles North of Loving, New Mexico.

7. Case No. 20841: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Shake-N-Bake 34 WXY Fed Com 1H, Shake-N-Bake 34 WXY Fed Com 2H, Shake-N-Bake 34 WXY Fed Com 3H, Shake-N-Bake 34 WD Fed Com 4H, Shake-N-Bake 34 WD Fed Com 5H, Shake-N-Bake 34 WD Fed Com 6H** wells, to be horizontally drilled. The producing area for these wells will be unorthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 5 miles North

of Loving, New Mexico.

8. Case No. 20842: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Shake-N-Bake 34 SB Fed Com 11H** 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 5 miles North of Loving, New Mexico.

9. Case No. 20843: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Cerberus 34 WXY Fed Com 1H, Cerberus 34 WXY Fed Com 2H, Cerberus 34 WXY Fed Com 3H, Cerberus 34 WD Fed Com 4H, Cerberus 34 WD Fed Com 5H, Cerberus 34 WD Fed Com 6H** wells, to be horizontally drilled. The producing area for these wells will be unorthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.

10. Case No. 20844: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Cerberus 34 SB Fed Com 10H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of 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 5 miles North of Loving, New Mexico.

11. Case No. 20845: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Trojan Horse 35 WB Fed Com 1H; Trojan Horse 35 WXY Fed Com 2H; Trojan Horse 35 WB Fed Com 3H; Trojan Horse 35 WD Fed Com 7H; Trojan Horse 35 WXY Fed Com 4H; Trojan Horse 35 WD Fed Com 5H; Trojan Horse 35 WD Fed Com 6H** wells, to be horizontally drilled. The producing area for these wells will be unorthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 4 miles North of Loving, New Mexico.

12. Case No. 20846: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Trojan Horse 35 SB Fed Com 10H** well, to be horizontally drilled. The producing area for the 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 4 miles North of Loving, New Mexico.

13. Case No. 20847: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Section 35, Township 22 South, Range 28 East, and the E/2 W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Trojan Horse 35 SB Fed Com 11H** well, to be horizontally drilled. The producing area for the 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 4 miles North of Loving, New Mexico.

14. Case No. 20848: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 E/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Cerberus 34 SB Fed Com 11H** 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 5 miles North of Loving, New Mexico.