

SPECIAL DOCKET: OIL CONSERVATION DIVISION HEARINGS - Friday, July 24, 2020

8:30 a.m.

Persons may view and participate in the hearings through the following link:

Meeting number: 146 096 4155

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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.

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

	Case Number	Description
1.	20831	Application of Centennial Resource Production, LLC for compulsory, non-standard spacing and proration unit in Lea County, New Mexico. Applicant seeks an order pooling mineral interests within the Gramma Ridge Bone Spring Northeast Pool (Pool Code 28435) as to the proposed oil and gas wells listed below, underlying the SE/4 Sections 36, Township 21 South, Range 34 East, NMPM and the E/2 of Section 1, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. These wells are located approximately 16 miles west of Eunice, New Mexico. 1) The proposed Margarita 36 State Com #301H to be horizontally drilled to a depth sufficient to test the 1st Bone Spring sand at a TVD of 9,600 feet from an orthodox SHL 2,158' FSL of Section 36 & 1,378' FEL Section 36, Township 21 South, Range 34 East and a BHL 100' FSL Section 1 & 2,348' FEL Section 1, Township 22 South, Range 34 East; 2) The proposed Margarita 36 State Com #302H to be horizontally drilled to a depth sufficient to test the 1st Bone Spring sand at a TVD of 9,600 feet from an orthodox SHL 2,158' FSL Section 36 & 1,348' FEL Section 36 Township 21 South, Range 34 East and a BHL 100' FSL & Section 1 & 1,348' FEL Section 1, Township 22 South, Range 34 East; 3) The proposed Margarita 36 State Com #303H to be horizontally drilled to a depth sufficient to test the 1st Bone Spring sand at a TVD of 9,600 feet from an orthodox SHL 2,158' FSL Section 36 & 1,318' FEL Section 36 Township 21 South, Range 34 East, and the BHL 100' FSL Section 1 & 330' FEL of Section 1, Township 22S, Range 34 East; 4) The proposed Margarita 36 State Com #501H to be horizontally drilled to a depth sufficient to test the 2nd Bone Spring sand at a TVD of 10,350 feet from an orthodox SHL 2,308' FSL Section 36 & 1,378' FEL Section 36 Township 21 South, Range 34 East, and the BHL 100' FSL Section 1 & 2,348' FEL of Section 1, Township 22S, Range 34 East; 5) The proposed Margarita 36 State Com #502H to be horizontally drilled to a depth sufficient to test 2nd Bone Spring sand at a TVD of 10,350 feet from an orthodox SHL 2,308' FSL Section 36 & 1,348' FEL of Section 36, Township 21 south, Range 34 East and the BHL 100' FSL Section 1 & 1,348' FEL Section 1 Township 22 South, Range 34 East; 6) The proposed Margarita 36 State Com #503H to be horizontally drilled to a depth sufficient to test the 2nd Bone Spring sand at a TVD of 10,350 feet from an orthodox SHL 2,308' FSL Section 36 & 1,318' FEL of Section 36, Township 21 South, Range 34 East and the BHL 100' FSL Section 1 & 330' FEL Section 1, Township 22 South, Range 34 East; 7) The proposed Margarita 36 State Com #601H to be horizontally drilled to a depth sufficient to test the 3rd Bone Spring sand at a TVD of 11, 200 feet, from an orthodox SHL 2,458' FSL Section 36 & 1,378' FEL Section 36, Township 21 South, Range 34 East and the BHL 100' FSL Section 1 & 2,348' FEL Section 1, Township 22 South, Range 34 East; 8) The proposed Margarita 36 State Com #602H to be horizontally drilled to a depth sufficient to test the 3rd Bone Spring sand at a TVD of 11, 200 feet, from an orthodox SHL 2,458' FSL Section 36 & 1,348' FEL Section 36, Township 21 South, Range 34 East and the BHL 100' FSL Section 1 &

		1,348' FEL Section 1, Township 22 South, Range 34 East; 9) The proposed Margarita 36 State Com #603H to be horizontally drilled to a depth sufficient to test the 3rd Bone Spring sand at a TVD of 11, 200 feet, from an orthodox SHL 2,458' FSL Section 36 & 1,348' FEL Section 36, Township 24 South, Range 34 East and the BHL 100' FSL Section 1 & 1,348' FEL Section 1, Township 22 South, Range 34 East.
2.	20861	Application of V-F Petroleum, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Grama Ridge; Bone Spring, NE [28435]) in a standard 162.57-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 E/2 of Section 1, Township 22 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill the following well: The Getty 1 State Com 233H well, to be horizontally drilled from an approximate surface hole location 330' FSL and 2310' FEL of Section 1-T22S-R34E, to an approximate bottom hole location 330' FNL and 2310' FEL of Section 1-T22S-R34E. The completed intervals and first and last take points for these wells will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The wells and lands are located approximately 15 miles west of Eunice, New Mexico.
3.	20862	Application of V-F Petroleum, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (Grama Ridge; Bone Spring, NE [28435]) in a standard 162.64-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 E/2 of Section 1, Township 22 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill the following well: The Getty 1 State Com 234H well, to be horizontally drilled from an approximate surface hole location 330' FSL and 990' FEL of Section 1-T22S-R34E, to an approximate bottom hole location 330' FNL and 990' FEL of Section 1-T22S-R34E. The completed intervals and first and last take points for these wells will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The wells and lands are located approximately 15 miles west of Eunice, New Mexico.