

DOCKET: EXAMINER HEARING – THURSDAY – JUNE 28, 2018

8:15 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505

The next Examiner Dockets are tentatively set for July 12, 2018 and July 26, 2018. Applications for hearing must be filed at least thirty (30) days in advance of the hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) 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. The following cases will be heard by an Examiner.

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1. Case No. 16076: (Continued from the May 17, 2018 Examiner Hearing.)

Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: pooling all mineral interests in the Wolfcamp formation underlying the standard 320-acre, more or less, spacing and proration unit comprised of the W/2 of Section 29, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This proposed standard spacing and proration unit will be the project area for the **Zeus Fee 23 28 29 WXY 12H, Zeus Fee 23 28 29 WXY 17H, Zeus Fee 23 28 29 WD 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 2 miles southwest of Loving, New Mexico.

2. Case No. 16077: (Continued from the May 17, 2018 Examiner Hearing.)

Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 160-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 W/2 of Section 29, Township 23 South, Range 28 East, NMPM, Eddy 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 **Zeus Fee 23 28 29 TB 15H 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. Said area is located approximately 2 miles southwest of Loving, New Mexico.

3. Case No. 16024: (Continued from the May 17, 2018 Examiner Hearing.)

Amended Application of BTA Oil Producers, 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) authorizing a non-standard, 160-acre spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) combining that 160-acre non-standard spacing unit with a standard 320-acre spacing unit to create a 480-acre non-standard spacing and proration unit comprised of the W/2 of Section 29 and the NW/4 of Section 32, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico; and (3) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be the project area for two proposed initial wells, to be drilled and simultaneously completed: the proposed **BTA-Ogden 20509 32-29 Fed Com #5H Well** and the proposed **BTA-Ogden 20509 32-29 Fed Com #6H Well**. The **BTA-Ogden 20509 32-29 Fed Com #5H Well** has a standard surface location in the SE/4 NW/4 (Unit F) of Section 32 with a standard bottom hole location in the NE/4 NW/4 (Unit C) of Section 29. The **BTA-Ogden 20509 32-29 Fed Com #6H Well** will have a standard surface hole location in the SW/4 NW/4 (Unit E) of Section 32 with a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 29. The completed interval for each well will remain within the 330-foot standard offset required by the Special Rule 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 BTA Oil Producers, LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 2 miles southwest of Loving, N.M.

4. Case No. 16161: (Continued from the May 17, 2018 Examiner Hearing.)

Application of BTA Oil Producers, 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) authorizing a non-standard 240-acre spacing and proration unit comprised of the W/2 W/2 of Section 29 and the W/2 NW/4 of Section 32, Township 23 South, Range 28 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 **BTA-Ogden 20509 29-32 Fed Com #9H Well**, which will be horizontally drilled from a standard surface location in the NW/4 NW/4 (Unit D) of Section 29 with a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 29. 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 BTA Oil Producers, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 2 miles southwest of Loving, N.M.

5. **Case No. 16162:** (Continued from the May 17, 2018 Examiner Hearing.)

Application of BTA Oil Producers, 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) authorizing a non-standard 240-acre spacing and proration unit comprised of the E/2 W/2 of Section 29 and the E/2 NW/4 of Section 32, Township 23 South, Range 28 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 **BTA-Ogden 20509 29-32 Fed Com #10H Well**, which will be horizontally drilled from a standard surface location in the NE/4 NW/4 (Unit C) of Section 29 with a standard bottom hole location in the SE/4 NW/4 (Unit F) of Section 29. 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 BTA Oil Producers, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 2 miles southwest of Loving, N.M.

6. **Case No. 16178:** (Continued from the May 31, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard oil spacing and proration unit, an unorthodox well location, 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 18, 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 **Biggers Fed. Com. Well No. 203H**, a horizontal well with a surface location in the SE/4 SE/4, a first take point 330 feet from the south line and 1346 feet from the east line, and a last take point, 330 feet from the north line and 1349 feet from the east line, of Section 18. 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 of Jal, New Mexico.

7. **Case No. 16179:** (Continued from the May 31, 2018 Examiner Hearing.)

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 18, 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 **Biggers 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 18. 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 of Jal, New Mexico.

8. **Case No. 16180:** (Continued from the May 31, 2018 Examiner Hearing.)

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 18, 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 **Biggers Fed. Com. Well No. 217H**, a horizontal well with a surface location in SE/4 SE/4, and a terminus in NW/4 NE/4, of Section 18. 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 of Jal, New Mexico.

9. **Case No. 16181:** (Continued from the May 31, 2018 Examiner Hearing.)

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 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 will be dedicated to (i) the **Leslie Fed. Com. Well No. 201H**, and (ii) the **Leslie Fed. Com. Well No. 215H**. Both wells are horizontal wells with surface locations in SW/4 SW/4, and bottomhole locations in NW/4 NW/4, of Section 17. 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 11-1/2 miles west-northwest of Jal, New Mexico.

10. **Case No. 16182:** (Continued from the May 31, 2018 Examiner Hearing.)

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 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 will be dedicated to the **Leslie Fed. Com. Well No. 202H**, a horizontal well with a surface location in SE/4 SW/4, and a terminus in NE/4 NW/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 11-1/2 miles west-northwest of Jal, New Mexico.

11. **Case No. 16185:** (Continued from the May 31, 2018 Examiner Hearing.)

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 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 NW/4 of Section 29 and the N/2 N/2 of Section 30, Township 18 South, Range 29 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 **Pavo Frio 29/30 B2CD Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NW/4 NE/4 of Section 29, and a terminus in the NW/4 NW/4 of Section 30. 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 10 miles southwest of Loco Hills, New Mexico.

12. **Case No. 16186:** (Continued from the May 31, 2018 Examiner Hearing.)

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 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 NW/4 of Section 29 and the S/2 N/2 of Section 30, Township 18 South, Range 29 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 **Pavo Frio 29/30 B2FE Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 NE/4 of Section 29, and a terminus in the SW/4 NW/4 of Section 30. 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 10 miles southwest of Loco Hills, New Mexico.

13. **Case No. 16002 (re-opened):** (Continued from the May 31, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company to re-open Case No. 16002 for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 640-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the N/2 of Section 9 and the N/2 of Section 8, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the **Chicago 9/8 W0HE Fee Com. Well No. 1H** and the **Chicago 9/8 W2HE Fee Com. Well No. 2H**, horizontal wells

with surface locations in the SE/4 NE/4 of Section 9, and bottomhole locations in the SW/4 NW/4 of Section 8. 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 2 miles west-northwest of Malaga, New Mexico.

*14. **Case No. 16135:** (Continued from the May 31, 2018 Examiner Hearing.)*

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 W/2 W/2 of Section 22, 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 (a) the **Gazelle 22 B3MD Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 22, and (b) the **Gazelle 22 B2MD Fed. Com. Well No. 2H**, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 22. The producing interval of each well will be orthodox. 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 well. The unit is located approximately 19 miles southwest of Oil Center, New Mexico.

*15. **Case No. 16136:** (Continued from the May 31, 2018 Examiner Hearing.)*

Application of Mewbourne Oil Company for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 640-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 of Section 12 and the E/2 of Section 1, Township 24 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the **Riverboat 12/1 W0PA Fed. Com. Well No. 1H** and the **Riverboat 12/1 W2PA Fed. Com. Well No. 1H**. Both wells are horizontal wells with surface locations in the SE/4 SE/4 of Section 12, and bottomhole locations in the NE/4 NE/4 of Section 1. 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 2-1/2 miles north of Black River Village, New Mexico.

*16. **Case No. 16137:** (Continued from the May 17, 2018 Examiner Hearing.)*

Application of Kaiser-Francis Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit in the Bone Spring formation underlying the N/2 SE/4 of Section 20 and the N/2 SW/4 of Section 21, Township 23 South, Range 28 East, NMPM, and pooling all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the **Loving Townsite 2021 3BS Well No. 1H**, a horizontal well with a surface location in the NW/4 SE/4 of Section 20, and a terminus in the NE/4 SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located in the center of Loving, New Mexico

*17. **Case No. 16138:** (Continued from the May 17, 2018 Examiner Hearing.)*

Application of Kaiser-Francis Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit in the Delaware formation underlying the N/2 SE/4 of Section 20 and the N/2 SW/4 of Section 21, Township 23 South, Range 28 East, NMPM, and pooling all mineral interests in the Delaware formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the **Loving Townsite 2021 LBC Well No. 1H**, a horizontal well with a surface location in the NW/4 SE/4 of Section 20, and a terminus in the NE/4 SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of

the well, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located in the center of Loving, New Mexico.

18. Case No. 16139: *(Continued from the May 17, 2018 Examiner Hearing.)*

Application of Kaiser-Francis Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit in the Delaware formation underlying the S/2 SE/4 of Section 20 and the S/2 SW/4 of Section 21, Township 23 South, Range 28 East, NMPM, and pooling all mineral interests in the Delaware formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the **Loving Townsite 2021 LBC Well No. 2H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 20, and a terminus in the SE/4 SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located in the center of Loving, New Mexico.

19. Case No. 16140: *(Continued from the May 17, 2018 Examiner Hearing.)*

Application of Kaiser-Francis Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit in the Bone Spring formation underlying the S/2 SE/4 of Section 20 and the S/2S W/4 of Section 21, Township 23 South, Range 28 East, NMPM, and pooling all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the **Loving Townsite 2021 3BS Well No. 2H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 20, and a terminus in the SE/4 SW/4 of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located in the center of Loving, New Mexico.

20. Case No. 16141: *(Continued from the May 17, 2018 Examiner Hearing.)*

Application of Kaiser-Francis Oil Company for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order approving a 320-acre non-standard gas spacing and proration unit in the Wolfcamp formation comprised of the SE/4 of Section 20 and the SW/4 of Section 21, Township 23 South, Range 28 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to: (a) the **Loving Townsite 2021 WC Well No. 1H**, a horizontal well with a surface location in the NW/4 SE/4 of Section 20, and a terminus in the NE/4 SW/4 of Section 21; (b) the **Loving Townsite 2021 WA Well No. 1H**, a horizontal well with a surface location in the NW/4 SE/4 of Section 20, and a terminus in the NE/4 SW/4 of Section 21; (c) the **Loving Townsite 2021 WC Well No. 2H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 20, and a terminus in the SE/4 SW/4 of Section 21; and (d) the **Loving Townsite 2021 WA Well No. 2H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 20, and a terminus in the SE/4 SW/4 of Section 21. The beginning and end of the producing interval of each well will be orthodox. 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 in the center of Loving, New Mexico.

21. Case No. 16041: *(Continued from the May 31, 2018 Examiner Hearing.)*

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Ram Energy LLC, for Wells Operated in Lea County, New Mexico. The Oil Conservation Division Compliance and Enforcement Bureau (“Bureau”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD” or “Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Ram Energy LLC, (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator’s financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by

NMSA 1978, § 70-2-14(E).

22. **Case No. 16042:** (Continued from the May 31, 2018 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Westbrook Oil Corporation, for Wells Operated in Lea and Eddy Counties, New Mexico. The Oil Conservation Division Compliance and Enforcement Bureau (“Bureau”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD” or “Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Westbrook Oil Corporation, (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator’s financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

23. **Case No. 16048:** (Continued from the May 31, 2018 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Cobalt Operating, LLC, for Wells Operated in Lea County, New Mexico. The Oil Conservation Division Compliance and Enforcement Bureau (“Bureau”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD” or “Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Cobalt Operating, LLC, (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator’s financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

24. **Case No. 16206:** ***Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against D.J. Simmons Company Limited Partnership, for Wells Operated in San Juan County, New Mexico.*** The Oil Conservation Division Compliance and Enforcement Bureau (“Bureau”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD” or “Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator D. J. Simmons, Inc., (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator’s financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

25. **Case No. 16228:** ***Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Tandem Energy Corporation, for Wells Operated in Eddy and Lea Counties, New Mexico.*** The Oil Conservation Division Compliance and Enforcement Bureau (“Bureau”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“OCD” or “Division”) pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Tandem Energy Corporation, (“Operator”) is out of compliance with 19.15.5.9(A)(4), and 19.15.25.8 NMAC; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4) and 19.15.25.8 NMAC within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator’s financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

26. Case No. 16165: (Continued from the May 31, 2018 Examiner Hearing.)

Application of Tap Rock Operating, LLC for a Non-Standard Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order approving a non-standard spacing and proration unit comprised of the N/2 of Section 6 and the N/2 of Section 5, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Pliny the Elder 23S27E0605 #201H** well to be drilled from an orthodox location approximately 870 feet from the north line and 330 feet from the west line of Section 4, Township 23 South, Range 27 East, to a bottom hole location approximately 330 feet from the north line and 200 feet from the west line of Section 6, Township 23 South, Range 27 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 7 miles southwest of downtown Carlsbad, New Mexico.

27. Case No. 16230: **Application of Tap Rock Operating, LLC for a Non-Standard Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order approving a non-standard spacing and proration unit comprised of the E/2 of Section 29 and the E/2 of Section 32, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico, pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Money Graham 26S29E3229 208H** and **Money Graham 26S29E3229 234H** wells. The Money Graham 26S29E3229 208H well is an approximately 1.5-mile horizontal well with a surface location approximately 320 feet from the south line and 760 feet from the east line of Section 32, and a bottom hole location, 200 feet from the north line and 337 feet from the east line of Section 29. The Money Graham 26S29E3229 234H well is an approximately 1.5-mile horizontal well with a surface location approximately 320 feet from the south line and 785 feet from the east line of Section 32, and a bottom hole location, 200 feet from the north line and 337 feet from the east line of Section 29. The first and last take points for both wells will be located within the designated setbacks for the pool for the wells' project area. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 16 miles south of downtown Malaga, New Mexico.

28. Case No. 16229: **Application of Manzano, LLC for Approval of the West Crossroads San Andres State Exploratory Unit, Lea County, New Mexico.** Applicant seeks approval of its West Crossroads San Andres State Exploratory Unit, which comprises 4,153.72 acres, more or less, of State of New Mexico lands situated in all of Section 32 and Sections 5, 6, 7, and 8 in Township 9 South, Range 36 East, N.M.P.M., and the N/2 of Section 1 and all of Section 36 in Township 10 South, Range 35 East, N.M.P.M., in Lea County. The unitized interval is the San Andres formation, defined as the stratigraphic equivalent of the interval between 4,075 feet and 5,503 feet as depicted on the sonic log dated January 31, 1960 for the Pure Oil State Lea H#1 well (API No. 30-025-03625) located 1,980 feet from the south line and 660 feet from the west line in Section 32, Township 9 South, Range 36 East, N.M.P.M., in Lea County. The unit acreage is located approximately 3.5 miles southeast of Crossroads, New Mexico.

29. Case No. 16221: **Application of EOG Resources, 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, 320-acre spacing and proration unit comprised of the N/2 S/2 of Section 23 and the N/2 S/2 of Section 24, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Spork 24 Fed Com No. 301H Well** and **Spork 24 Fed Com No. 501H Well**, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 24 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 23. The completed intervals for these wells will commence and 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 24 miles southeast of Artesia, New Mexico.

30. Case No. 16251: Application of Ameredev Operating, LLC for an unorthodox well location, 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 16 and the E/2 W/2 of Section 21, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico; (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage; and (3) approving unorthodox well locations. Said non-standard unit is to be project area for two proposed initial wells, to be drilled and completed simultaneously: the proposed **Camellia Fed Com 26 36 21 No. 114H Well** and the proposed **Camellia Fed Com 26 36 21 No. 124H Well**. These wells will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 28 to a standard bottom hole location in the NE/4 NW/4 (Unit C) of Section 16. The completed interval for both wells will be at unorthodox locations because they are closer to the northeastern, eastern, and southeastern boundary of the proposed spacing and proration unit than allowed by the statewide rules. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of 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 southwest of Jal, NM.

31. Case No. 16216: Application of Devon Energy Production Company L.P. 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 comprised of the E/2 E/2 of Section 21, Township 22 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 **Gaicho 21 Fed 6H well** to be drilled from an approximate surface location, 175 feet from the south line and 185 feet from the east line of Section 21 to a bottomhole location 330 feet from the north line and 380 feet from the east line of Section 21. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost, the designation of Applicant as Operator and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately ¾ mile west of the intersection of Highway 32 and San Simon Road.

32. Case No. 16217: Application of Devon Energy Production Company L.P. 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 comprised of the W/2 E/2 of Section 21, Township 22 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 **Gaicho 21 Fed 7H well** to be drilled from an approximate surface location, 326 feet from the south line and 545 feet from the east line of Section 21 to a bottomhole location 330 feet from the north line and 1580 feet from the east line of Section 21. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost, the designation of Applicant as Operator and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately ¾ mile west of the intersection of Highway 32 and San Simon Road.

33. Case No. 16232: Application of Ascent Energy, LLC for approval of a non-standard spacing and proration unit, compulsory pooling, and one unorthodox well location, Lea County, New Mexico. Applicant seeks an order approving a 320-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 20 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. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 703H** and **Gavilon Fed. Com. Well No. 704H**, horizontal Wolfcamp wells with surface locations in the SW/4 SW/4 of Section 33, and bottomhole locations in the NW/4 NW/4 of Section 28. The producing interval of the Gavilon Fed. Com. Well No. 703H will be orthodox, while the Gavilon Fed. Com. Well No. 704H, which will be at an unorthodox location encroaching upon the E/2 W/2 of Section 28 and the E/2 W/2 of Section 33. 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 3 miles east-southeast of Halfway, New Mexico

34. Case No. 16233: Application of Ascent Energy, LLC for approval of a non-standard spacing and proration unit, compulsory pooling, and one unorthodox well location, Lea County, New Mexico. Applicant seeks an order approving a 320-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 20 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing

and proration unit. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 201H, Gavilon Fed. Com. Well No. 303H, Gavilon Fed. Com. Well No. 304H, Gavilon Fed. Com. Well No. 401H, Gavilon Fed. Com. Well No. 503H, Gavilon Fed. Com. Well No. 504H, and Gavilon Fed. Com. Well No. 602H**, horizontal Bone Spring wells with surface locations in the SW/4 SW/4 of Section 33, and botomhole locations in the NW/4 NW/4 of Section 28. The producing interval of each well will be orthodox, except for the Gavilon Fed. Com. Well No. 504H, which will be at an unorthodox location encroaching upon the E/2 W/2 of Section 28 and the E/2 W/2 of Section 33. 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 3 miles east-southeast of Halfway, New Mexico.

35. Case No. 16256: Application of OXY USA Inc. 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 320-acre non-standard spacing and proration unit comprised of the W/2 W/2 of Section 27 and the W/2 W/2 of Section 34, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Red Tank Bone Spring (Pool No. 51683) underlying this acreage. Said non-standard unit will be the project area for its proposed **Taco Cat “27-34” Federal Com No. 11H Well and Taco Cat “27-34” Federal Com No. 21H Well**, which will be horizontally drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 27, Township 22 South, Range 32 East, NMPM, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 34, Township 22 South, Range 32 East, NMPM. The completed intervals for these wells 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 wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA Inc. as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 31 miles southwest of Eunice, N.M.

36. Case No. 16257: Application of OXY USA Inc. 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 320-acre non-standard spacing and proration unit comprised of the W/2 W/2 of Section 27 and the W/2 W/2 of Section 34, Township 22 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 will be the project area for its proposed **Taco Cat “27-34” Federal Com No. 31H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27, Township 22 South, Range 32 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 34, Township 22 South, Range 32 East, NMPM. 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 OXY USA Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 31 miles southwest of Eunice, N.M.

37. Case No. 16092: (Continued from the May 31, 2018 Examiner Hearing.)
Amended Application of Advance Energy Partners Hat Mesa, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard 320-acre± oil spacing and proration unit in the Bone Spring Formation (97895) comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of Section 22, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, and pooling all mineral interests underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Stock Unit #601H** well to be drilled from an approximate surface location 100 feet from the north line and 1,650 feet from the west line of Section 15, Township 21 South, Range 33 East to a bottomhole location 330 feet from the south line and 1,650 feet from the west line of Section 22, Township 21 South, Range 33 East, NMPM. 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 of drilling and completing the well. The well and lands are located approximately 2.5 miles northeast of Hat Mesa, New Mexico.

38. Case No. 16093: (Continued from the May 31, 2018 Examiner Hearing.)
Amended Application of Advance Energy Partners Hat Mesa, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard 320-acre± oil spacing and proration unit in the Bone Spring Formation (97895) comprised of the E/2 W/2 of Section 15

and the E/2 W/2 of Section 22, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, and pooling all mineral interests underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Stock Unit #602H** well to be drilled from an approximate surface location 100 feet from the north line and 2,310 feet from the west line of Section 15, Township 21 South, Range 33 East to a bottomhole location 330 feet from the south line and 2,310 feet from the west line of Section 22, Township 21 South, Range 33 East, NMPM. 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 of drilling and completing the well. The well and lands are located approximately 2.5 miles northeast of Hat Mesa, New Mexico.

39. **Case No. 16094:** (Continued from the May 31, 2018 Examiner Hearing.)

Amended Application of Advance Energy Partners Hat Mesa, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard 320-acre± oil spacing and proration unit in the Bone Spring Formation (97895) comprised of the W/2 E/2 of Section 15 and the W/2 E/2 of Section 22, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico, and pooling all mineral interests underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Stock Unit #603H** well to be drilled from an approximate surface location 100 feet from the north line and 1,650 feet from the east line of Section 15, Township 21 South, Range 33 East to a bottomhole location 330 feet from the south line and 1,650 feet from the east line of Section 22, Township 21 South, Range 33 East, NMPM. 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 of drilling and completing the well. The well and lands are located approximately 2.5 miles northeast of Hat Mesa, New Mexico.

40. **Case No. 16166:** **Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico;** Applicant seeks an order pooling all mineral interests within the vertical limits of the Paduca Delaware pool (Pool Code 49460), dedicated to its **Paduca 16 State 201H well**, non-standard 160 acre spacing and proration unit, and unorthodox location, underlying the W/2 W/2 of Section 16, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. The well is located approximately 28 miles due west of Jal, New Mexico.

41. **Case No. 16167:** **Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico;** Applicant proposes an order pooling all mineral interests within the vertical limits of the Paduca Delaware pool (Pool Code 49460), dedicated to its **Paduca 16 State 202H well**, non-standard 160 acre spacing and proration unit, and unorthodox location, underlying the W/2 E/2 of Section 16, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. The well is located approximately 28 miles due west of Jal, New Mexico.

42. **Case No. 16168:** **Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico;** Applicant seeks an order pooling all mineral interests within the vertical limits of the Paduca Delaware pool (Pool Code 49460), dedicated to its **Paduca 16 State 203H well**, non-standard 160 acre spacing and proration unit, and unorthodox location, underlying the E/2 W/2 of Section 16, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. The well is located approximately 28 miles due west of Jal, New Mexico.

43. **Case No. 16214:** **Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order from the Division: (1) creating a non-standard 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 E/2 of Section 36 and the E/2 SE/4 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy 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 **Southern Comfort State 24-28-25 TB 6H** 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. Said area is located approximately 3 miles south of Malaga, New Mexico.

44. Case No. 16237: Application of Marathon Oil Permian LLC for approval of a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard spacing 160-acre, more or less, spacing and proration unit covering the N/2 S/2 of Section 1, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Gladius Fee 23 27 1 TB 14H** 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. Said area is located approximately 6 miles south-southwest of Carlsbad, New Mexico.

45. Case No. 16238: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a standard spacing 320-acre, more or less, spacing and proration unit covering the S/2 of Section 1, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation underlying standard spacing and proration unit. This proposed standard spacing and proration unit will be the project area for the **Gladius Fee 23 27 1 WA 15H, Gladius Fee 23 27 1 WD 16H, Gladius Fee 23 27 1 WXY 18H, and Gladius Fee 23 27 1 WXY 12H** 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 6 miles south-southwest of Carlsbad, New Mexico.

46. Case No. 16231: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 9, Township 23 South, Range 28 East, NMPM (Purple Sage-Wolfcamp Gas Pool), to form a standard 318.94-acre gas spacing and proration unit. The unit will be dedicated to the **Jack Sleeper 09-23S-28E RB Well No. 201H**, a horizontal well with a surface location in the SW/4 SW/4, and a bottomhole location in the NW/4 NW/4, of Section 9. The producing interval will be unorthodox. 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 Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 2 miles north of Loving, New Mexico.

47. Case No. 16082: (Continued from the May 3, 2018 Examiner Hearing.)
Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order approving a 320-acre gas spacing and proration unit in the Wolfcamp formation underlying (the E/2 of Section 1, Township 23 South, Range 27 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the gas spacing and proration unit. The unit will be dedicated to (i) The **Larry Wolfisch 01-23S-27E RB Well No. 204H**, a horizontal well with a surface location in the SE/4 SE/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4 SE/4 of Section 1; and (ii) The **Larry Wolfisch 01-23S-27E RB Well No. 224H**, a horizontal well with a surface location in the SE/4 SE/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4 SE/4 of Section 1. The producing interval of each well will be orthodox. 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 6 miles south-southwest of Carlsbad, New Mexico.

48. Case No. 16083: (Continued from the May 3, 2018 Examiner Hearing.)
Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order approving a 320-acre gas spacing and proration unit in the Wolfcamp formation underlying the W/2 of Section 1, Township 23 South, Range 27 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the gas spacing and proration unit. The unit will be dedicated to the **Larry Wolfisch 01-23S-27E RB Well No. 206H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4 SW/4 of Section 1. The producing interval of 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 thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately

6 miles south-southwest of Carlsbad, New Mexico.

49. Case No. 16209: Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the W/2 W/2 of Section 9, Township 20 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Coach Joe Fed. Com. Well No. 121H**, a horizontal well with a surface location in the NW/4 NW/4, and a terminus in the SW/4 SW/4, of Section 9. The producing interval will be orthodox. 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 northwest of Oil Center, New Mexico.

50. Case No. 16210: Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the E/2 W/2 of Section 9, Township 20 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Coach Joe Fed. Com. Well No. 122H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 9. The producing interval will be orthodox. 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 northwest of Oil Center, New Mexico.

51. Case No. 16211: Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the W/2 E/2 of Section 7, Township 22 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Gains Baty State Com. Well No. 113H**, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10-1/2 miles southwest of Oil Center, New Mexico.

52. Case No. 16212: Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the E/2 E/2 of Section 7, Township 22 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Gains Baty State Com. Well No. 114H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10 miles southwest of Oil Center, New Mexico.

53. Case No. 16252: 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 underlying this acreage. 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.

54. Case No. 16253: 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 underlying this acreage. 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 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.

55. Case No. 16254: 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 underlying this acreage. 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 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.

56. Case No. 16255: 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 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 underlying this acreage. 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 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

57. Case No. 16061: (Continued from the May 3, 2018 Examiner Hearing.) **Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order approving a 177.24-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lots 1-4 (the W/2 W/2) of Section 7, Township 22 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Laurie Wyman Fed. Com. Well No. 121H**, a horizontal well with a surface location in Lot 1, and a terminus in Lot 4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

58. *Case No. 16062:* (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the E/2 W/2 of Section 7, Township 22 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Laurie Wyman Fed. Com. Well No. 132H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180

59. *Case No. 16063:* (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the W/2 E/2 of Section 7, Township 22 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Laurie Wyman Fed. Com. Well No. 133H**, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

60. *Case No. 16064:* (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 Bone Spring formation comprised of the E/2 E/2 of Section 7, Township 22 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit will be dedicated to the **Laurie Wyman Fed. Com. Well No. 134H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

61. *Case No. 16065:* (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 177.24-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lots 1-4 (the W/2 W/2) of Section 7, Township 22 South, Range 32 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 will be dedicated to the **Laurie Wyman Fed. Com. Well No. 211H**, a horizontal well with a surface location in Lot 1, and a terminus in Lot 4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

62. Case No. 16066: (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 7, Township 22 South, Range 32 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 will be dedicated to the **Laurie Wyman Fed. Com. Well No. 212H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

63. Case No. 16067: (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 7, Township 22 South, Range 32 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 will be dedicated to the **Laurie Wyman Fed. Com. Well No. 213H**, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

64. Case No. 16068: (Continued from the May 3, 2018 Examiner Hearing.)

Application of Matador Production Company for a non-standard 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 7, Township 22 South, Range 32 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 will be dedicated to the **Laurie Wyman Fed. Com. Well No. 214H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 7. The producing interval will be orthodox. 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 10 miles south of the intersection of State Highway 176 and U.S. Highway 62/180.

65. Case No. 16234: **Application of Mewbourne Oil Company for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 480-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the NE/4 of Section 21 and the E/2 of Section 16, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the **Creedence 21/16 W0HA State Com. Well No. 1H** and the **Creedence W0HA State Com. Well No. 2H**, horizontal wells with surface locations in the SE/4 NE/4 of Section 21, and bottomhole locations in the NE/4 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

66. Case No. 16235: **Application of Mewbourne Oil Company for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 480-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the NW/4 of Section 21 and the W/2 of Section 16, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the

Creedence 21/16 W2ED State Com. Well No. 1H and the **Creedence W0ED State Com. Well No. 2H**, horizontal wells with surface locations in the SW/4 NW/4 of Section 21, and bottomhole locations in the NW/4 NW/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 1-1/2 mile west of Malaga, New Mexico.

67. Case No. 16236: Application of Mewbourne Oil Company for a non-standard gas spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 640-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the **Chicago 9/8 W0IL Fee Well No. 1H**, a horizontal well with a surface location in the SE/4 NE/4 of Section 9, and a bottomhole location in the NW/4 SW/4 of Section 8. 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 2 miles west-northwest of Malaga, New Mexico.

68. Case No. 16183: (Continued from the May 31, 2018 Examiner Hearing.)
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 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 24 and the S/2 N/2 of Section 23, Township 18 South, Range 30 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 **Virgo 24/23 B2HE Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SE/4 NE/4 of Section 24, and a terminus in the SW/4 NW/4 of Section 23. 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 6-1/2 miles south-southeast of Loco Hills, New Mexico.

69. Case No. 16184: (Continued from the May 31, 2018, Examiner Hearing.)
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 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 24 and the N/2 S/2 of Section 23, Township 18 South, Range 30 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 **Virgo 24/23 B2IL Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 SE/4 of Section 24, and a terminus in the NW/4 SW/4 of Section 23. 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 6-1/2 miles south-southeast of Loco Hills, New Mexico.

70. Case No. 16244: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Carne Asada Com State No. 301H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 2240 FSL and 1780 FEL of Section 7 and a BHL of 100 FNL and 2310 FEL of Section 6, sufficient in depth to test the Bone Spring Formation at a TVD of 9,525 feet underlying the W/2 E/2 of Section 6 and W/2 SE/4 of Section 14, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

71. Case No. 16245: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Carne Asada Com State No. 501H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 2090 FSL and 1780 FEL of Section 7 and a BHL of 100 FNL and 2310 FEL of Section 6, sufficient in depth

to test the Bone Spring Formation at a TVD of 10,250 feet underlying the W/2 E/2 of Section 6 and W/2 SE/4 of Section 14, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

72. Case No. 16246: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Carne Asada Com State No. 601H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 1940 FSL and 1780 FEL of Section 7 and a BHL of 100 FNL and 2310 FEL of Section 6, sufficient in depth to test the Bone Spring Formation at a TVD of 11,050 feet underlying the W/2 E/2 of Section 6 and W/2 SE/4 of Section 14, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

73. Case No. 16247: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Frijoles State Com No. 302H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 2240 FSL and 1750 FEL of Section 7 and a BHL of 100 FNL and 990 FEL of Section 6, sufficient in depth to test the Bone Spring Formation at a TVD of 9,525 feet underlying the E/2 E/2 of Section 6 and E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

74. Case No. 16248: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Frijoles State Com No. 502H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 2090 FSL and 1750 FEL of Section 7 and a BHL of 100 FNL and 990 FEL of Section 6, sufficient in depth to test the Bone Spring Formation at a TVD of 10,250 feet underlying the E/2 E/2 of Section 6 and E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

75. Case No. 16249: Application of Centennial Resources Production, LLC, for compulsory pooling, non-standard spacing and proration unit, non-standard location, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests within the Bone Spring Formation (Ojo Chiso Bone Spring Pool - Pool Code 96553) of its **Frijoles State Com No. 602H**, non-standard spacing and proration unit and non-standard well location, with a SHL of 1940 FSL and 1750 FEL of Section 7 and a BHL of 100 FNL and 990 FEL of Section 6, sufficient in depth to test the Bone Spring Formation at a TVD of 11,050 feet underlying the E/2 E/2 of Section 6 and E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. The well will be located approximately 13 miles southwest of Eunice, New Mexico.

76. Case No. 16175: Application of BTA Oil Producers, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. BTA Oil Producers, LLC seeks an order approving a 160.11-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 W/2 W/2) of Section 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. 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 **Rock Lake 7404 Well No. 1H**, a horizontal well with a surface location in Lot 4, and a terminus in the SW/4 SW/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 18-1/2 miles southwest of Eunice, New Mexico.

77. Case No. 16108 (Continued from the May 3, Examiner Hearing.)

Application of OneEnergy Partners, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard 160-acre ± oil spacing and proration unit in the Bone Spring formation (96553) comprised of Lot 4, SW/4 NW/4, W/2 SW/4 of Section 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico, and pooling all mineral interests underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Georgetown BS3 Fed Com 1H** well to be drilled from an approximate surface location, 285 feet from the north line and 1,295 feet from the west line to a bottomhole location 380 feet from the south line and 940 feet from the west line of Section 4, Township 24 South, Range 35 East, NMPM. 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 of drilling and completing the well. The well and lands are located approximately 2.6 miles east of Antelope Draw, New Mexico.

78. Case No. 16215: (This case will be continued to the June 28, 2018 Examiner Hearing.)

Application of OneEnergy Partners, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard 160-acre ± oil spacing and proration unit in the Wolfcamp formation comprised of the W/2 W/2 (Lot 4, SW/4 NW/4, W/2 SW/4) of Section 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico, and pooling all mineral interests underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Georgetown WCA Fed Com 1H** well to be drilled from an approximate surface location, 250 feet from the north line and 1,270 feet from the west line to a bottomhole location 380 feet from the south line and 660 feet from the west line of Section 4, Township 24 South, Range 35 East, NMPM. 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 of drilling and completing the well. The well and lands are located approximately 18½ miles southwest of Eunice, New Mexico.

79. Case No. 16163: (This case will be continued to the June 28, 2018 Examiner Hearing.)

Application of Devon Energy Production Company, L.P. 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) authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) creating a 632.38-acre non-standard spacing and proration unit comprised of the W/2 of Section 30 and the W/2 of Section 31, Township 23 South, Range 29 East, Eddy County, New Mexico; and (3) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to the applicant's four proposed initial wells:

- The proposed **Spud Muffin 30-31 Fed Com 621H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 of Section 31 (Unit M, Lot 4) to a bottom hole location in the NW/4NW/4 of Section 30 (Unit D, Lot 1);
- The proposed **Spud Muffin 30-31 Fed Com 732H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 of Section 31 (Unit M, Lot 4) to a bottom hole location in the NW/4NW/4 of Section 30 (Unit D, Lot 1);
- The proposed **Spud Muffin 31-30 Com 622H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 of Section 31 (Unit N) to a bottom hole location in the NE/4NW/4 of Section 30 (Unit K);
- The proposed **Spud Muffin 31-30 Com 734H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 of Section 31 (Unit N) to a bottom hole location in the NE/4NW/4 of Section 30 (Unit C).

The completed interval for each well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage Pool. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Production Company, L.P. as operator of the wells and a 200% charge for risk involved in drilling each well. Said area is located approximately 16 miles Southeast of Carlsbad, New Mexico.

80. Case No. 16164: (This case will be continued to the June 28, 2018 Examiner Hearing.)

Application of Devon Energy Production Company, L.P. 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) authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) creating a 640-acre non-standard spacing and proration unit comprised of the E/2 of Section 30 and the E/2 of Section 31, Township 23 South, Range 29 East, Eddy County, New Mexico; and (3) pooling all uncommitted interests in the Wolfcamp formation underlying

this acreage. Said non-standard unit is to be dedicated to the applicant's four proposed initial wells:

- The proposed **Spud Muffin 31-30 623H Well**, which will be horizontally drilled from a surface location in the SW/4SE/4 of Section 31 (Unit O) to a bottom hole location in the NW/4NE/4 of Section 30 (Unit B);
- The proposed **Spud Muffin 31-30 736H Well**, which will be horizontally drilled from a surface location in the SW/4SE/4 of Section 31 (Unit O) to a bottom hole location in the NW/4NE/4 of Section 30 (Unit B);
- The proposed **Spud Muffin 31-30 624H Well**, which will be horizontally drilled from a surface location in the SE/4SE/4 of Section 31 (Unit P) to a bottom hole location in the NE/4NE/4 of Section 30 (Unit A);
- The proposed **Spud Muffin 31-30 738H Well**, which will be horizontally drilled from a surface location in the SE/4SE/4 of Section 31 (Unit P) to a bottom hole location in the NE/4NE/4 of Section 30 (Unit A);

The completed interval for each well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage Pool. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Devon Energy Production Company, L.P. as operator of the wells and a 200% charge for risk involved in drilling each well. Said area is located approximately 16 miles Southeast of Carlsbad, New Mexico.

81. Case No. 16258: Application of Delaware Energy, LLC for Authorization to Inject Salt Water for Purposes of Disposal Through Its Proposed Bear Trap SWD #1 Well, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order authorizing injection of produced water for disposal purposes through its proposed **Bear Trap SWD #1**, with a surface location, 660 feet from the West line and 1470 feet from the South line Unit L of Section 3, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. The maximum proposed daily injection rate will be approximately 25,000 barrels per day. The proposed injection will occur within the Devonian formation at a depth of approximately 13,280 feet to 14,280 feet deep. The maximum injection pressure will be 2,656 psi. The location of the proposed injection is approximately 6 miles northwest of Malaga, New Mexico.

82. Case No. 16259: Application of Delaware Energy, LLC for Authorization to Inject Salt Water for Purposes of Disposal Through Its Proposed Giant Panda SWD #1 Well, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order authorizing injection of produced water for disposal purposes through its proposed **Giant Panda SWD #1**, with a surface location, 240 feet from the South line and 175 feet from the East line Unit P of Section 9, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. The maximum proposed daily injection rate will be approximately 25,000 barrels per day. The proposed injection will occur within the Devonian formation at a depth of approximately 13,255 feet to 14,255 feet deep. The maximum injection pressure will be 2,651 psi. The location of the proposed injection is approximately 6 miles west of Malaga, New Mexico.

83. Case No. 16260: Application of Delaware Energy, LLC for Authorization to Inject Salt Water for Purposes of Disposal Through Its Proposed Grizzly SWD #1 Well, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order authorizing injection of produced water for disposal purposes through its proposed **Grizzly SWD #1**, with a surface location, 2,400 feet from the South line and 1170 feet from the West line Unit L of Section 11, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. The maximum proposed daily injection rate will be approximately 25,000 barrels per day. The proposed injection will occur within the Devonian formation at a depth of approximately 13,420 feet to 14,420 feet deep. The maximum injection pressure will be 2,684 psi. The location of the proposed injection is approximately 5 miles west of Malaga, New Mexico.

84. Case No. 16261: Application of Delaware Energy, LLC for Authorization to Inject Salt Water for Purposes of Disposal Through Its Proposed Kodiak SWD #1 Well, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order authorizing injection of produced water for disposal purposes through its proposed **Kodiak SWD #1**, with a surface location, 200 feet from the South line and 250 feet from the East line Unit P of Section 5, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. The maximum proposed daily injection rate will be approximately 25,000 barrels per day. The proposed injection will occur within the Devonian formation at a depth of approximately 13,095 feet to 14,095 feet deep. The maximum injection pressure will be 2,792 psi. The location of the proposed injection is approximately 8 miles northwest of Malaga, New Mexico

85. Case No. 16250: Application of Petrolia Energy Corporation for approval of reactivation of authority to inject in Chaves County. Applicant seeks approval to reinstate injection authority used to increase oil production in the Twin Lakes Unit (TLSAU). The applicant seeks to reactivate five (5) shut in water injection wells and increase oil recovery. Produced water will be injected using TLSAU wells number 50, 59, 68, 70, 88. The wells will inject into the Twin Lakes; San Andres (ASSOC) Pool located in Chaves County, New Mexico covering all or part of:

Township 8 South, Range 28 East, NMPM

Section 25: SE/4 NW/4, NE/4 SW/4, S/2 SW/4, and SE/4

Section 26: SE/4 SE/4

Section 35: E/2 E/2

Section 36: All

Township 8 South, Range 29 East, NMPM

Section 30: Lots 3 and 4, E/2 SW/4 and SW/4 SE/4

Section 31: All

Section 32: W/2 SW/4

Township 9 South, Range 28 East, NMPM

Section 1: Lots 1 through 4, S/2 N/2, SE/4, and E/2 SW/4

Section 2: Lot 1

Section 12: NE/4, E/2 SE/4 and NW/4 SE/4

Township 9 South, Range 29 East, NMPM

Section 5: Lots 3 and 4, S/2 NW/4, and SW/4

Sections 6 and 7: All

Section 8: N/2 NW/4 and SW/4 NW/4

Section 18: Lot 1, E/2 NW/4, and W/2 NE/4