

DOCKET: SPECIAL EXAMINER HEARING –THURSDAY– AUGUST 16, 2018

9:00 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505

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 at least four business days 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 four days 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.

1. **Case No. 16082:** *(Continued from the July 26, 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.

2. **Case No. 16083:** *(Continued from the July 26, 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.

3. **Case No. 16237:** *(Continued from the July 26, 2018 Examiner Hearing.)*

Amended 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 320-acre, more or less, spacing and proration unit covering the N/2 S/2 of Section 6, Township 23 South, Range 28 East, and 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 **Maximus Federal 23 28 6 TB 8H** 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.

4. **Case No. 16238:** *(Continued from the July 26, 2018 Examiner Hearing.)*

Amended Application of Marathon Oil Permian LLC for approval of a non-standard proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 640-acre, more or less, spacing and proration unit covering the S/2 of Section 6, Township 23 South, Range 28 East, and 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 this spacing and proration unit. This proposed

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spacing and proration unit will be the project area for the **Maximus Fee 23 28 6 WA 2H**, **Maximus Fee 23 28 6 WD 3H**, **Maximus Fee 23 28 6 WXY 6H**, **Maximus Federal 23 28 6 WA 9H**, and **Maximus Federal 23 28 6 WD 10H** 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.

5. ***Case No. 16324***; (Continued from the July 26, 2018 Examiner Hearing.)

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 320-acre, more or less, spacing and proration unit covering the S/2 S/2 of Section 6, Township 23 South, Range 28 East, and the S/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 **Maximus Fee 23 28 6 TB 1H** 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.