

DOCKET: EXAMINER HEARING – THURSDAY – OCTOBER 18, 2018

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

The next Examiner Dockets are tentatively set for November 1, 2018 and November 15, 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. 16448: Application of Logos Operating, LLC for Compulsory Pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all interests in the Gallup formation underlying the W/2 of Section 33, Township 24 North, Range 7 West, NMPM in Rio Arriba County, New Mexico. Applicant seeks to establish a standard 320-acre horizontal spacing unit within the Basin-Mancos Pool (71599) in the W/2 of Section 33, to which the Special Rules for the Escrito-Gallup Associated Pool apply. The unit will be subject to a federal Communitization Agreement and will be dedicated to two wells to be drilled by Applicant in the Gallup formation as follow: (1) the **Federal 2407 28M South Com 1H** at an approximate surface hole location of 10' FSL & 910' FWL of Section 28-T24N-R7W with an approximate bottom hole location of 330' FWL & 20' FSL of Section 33-T24N-R7W. (2) the **Federal 2308 28M South Com 2H** at an approximate surface hole location of 10' FSL & 970' FWL of Section 28-T24N-R7W with an approximate bottom hole location of 2,240' FWL & 100' FSL of Section 33-T24N-R7W. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of LOGOS as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 8.5 miles east of Nageezi, New Mexico.

2. Case No. 16449: Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying the E/2 W/2 and W/2 E/2 of Sections 30 and 31, Township 23 South, Range 29 East, Eddy County, New Mexico. Said standard 640-acre horizontal spacing and proration unit is to be dedicated to the applicant's **Spud Muffin 31-30 332H well** to be horizontally drilled in the **Cedar Canyon; Bone Spring (Pool Code 11520)** from a surface location 625' FSL and 2405' FWL of Section 31 to a bottom hole location of 20' FNL and 2630' FWL of Section 30. The completed interval of this 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 Devon Energy Production Company, L.P. as operator of the well and a 200% charge for risk involved in drilling the well. Said area is located approximately 16 miles Southeast of Carlsbad, New Mexico.

3. Case No. 16450: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling of all mineral interests in the Bone Spring formation underlying a 237.60-acre horizontal spacing unit in the Bone Spring formation comprised of Lots 2, 7, 10, 15 and the W/2 SE/4 (the W/2 E/2) of oversized Section 6, Township 21 South, Range 35 East, NMPM. The unit will be dedicated to the **Cast Away B2BW State Com. Well No. 1H**, a horizontal well with a first take point in Lot 2 and a last take point in the SW/4 SE/4 of Section 6. 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 9-1/2 miles west-northwest of Oil Center, New Mexico.

4. Case No. 16451: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order pooling all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 1, Township 23 South, Range 27 East, NMPM. The unit will be dedicated to the **Larry Wolfish 1&12-23S-27E RB Well No. 121H**, a horizontal well with a surface location in the SW/4 SW/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., a first take point in the NW/4 NW/4 of Section 1, and a last take point in the SW/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.

5. Case No 16452: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order pooling all mineral interests in the Bone Spring

formation underlying the E/2 W/2 of Section 1, Township 23 South, Range 27 East, NMPM. The unit will be dedicated to the **Larry Wolfish 1&12-23S-27E RB Well No. 122H**, 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., a first take point in the NE/4 NW/4 of Section 1, and a last take point 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.

6. Case No. 16453: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order pooling all mineral interests in the Bone Spring formation underlying the W/2 E/2 of Section 1, Township 23 South, Range 27 East, NMPM. The unit will be dedicated to the **Larry Wolfish 1&12-23S-27E RB Well No. 123H**, a horizontal well with a surface location in the SW/4 SE/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., a first take point in the NW/4 NE/4 of Section 1, and a last take point in the SW/4 SE/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 5-1/2 miles south-southwest of Carlsbad, New Mexico.

7. Case No. 16454: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Matador Production Company seeks an order pooling all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 1, Township 23 South, Range 27 East, NMPM. The unit will be dedicated to the **Larry Wolfish 1&12-23S-27E RB Well No. 124H**, 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., a first take point in the NE/4 NE/4 of Section 1, and a last take point in the SE/4 SE/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 5-1/2 miles south-southwest of Carlsbad, New Mexico.

8. Case No. 16455: Application of HPPC, Inc. for a lease pressure maintenance project, Lea County, New Mexico. Applicant seeks approval to institute a lease pressure maintenance project in the Abo formation underlying State Lease K-3851-6 by the injection of produced water into the Abo formation at the approximate depths of 8887-8928 feet subsurface in the **Lea 946 State Well No. 1**, located 1980 feet from the north line and 660 feet from the west line (Unit E) of Section 2, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The expected maximum injection rate is 500 BWPD, and the maximum injection pressure is 1777 psi. State Lease K-3851-6 covers the NW/4 of Section 2 and the NE/4 of Section 3, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and is centered approximately 3-1/2 miles east-southeast of Buckeye, New Mexico.

9. Case No. 16406: Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit, compulsory pooling, and unorthodox well location, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating, if necessary, a non-standard 319.95-acre, more or less, spacing and proration unit comprised of the W/2 E/2 Section 34 Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and W/2 E/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico; (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage; and (3) approving the unorthodox well location. Said non-standard unit is to be dedicated to applicant's proposed **Jade 34-3 Fed Com 1BS No. 7H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 34 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 3. The completed interval for these wells will be unorthodox because it will be closer to the eastern boundary of the spacing unit than allowed by the statewide rules. Also to be considered will be the

cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 37 miles northeast of Carlsbad, New Mexico.

10. Case No. 16456: Application of Chisholm Energy Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 160.31-acre horizontal spacing unit comprised of the E/2 E/2 of Section 5, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Mudshark 5 State 3BS No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) to bottom hole location in the SE/4 SE/4 (Unit P) of Section 5. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Carlsbad, New Mexico.

11. Case No. 16457: Application of Chisholm Energy Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a 320.64-acre horizontal spacing unit comprised of the E/2 of Section 5, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Mudshark 5 State WCB No. 2H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) to bottom hole location in the SE/4 SE/4 (Unit P) of Section 5. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Carlsbad, New Mexico.

12. Case No. 16458: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the E/2 E/2 of Section 15 and the E/2 E/2 of Section 22, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Huckleberry State Com No. 501H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 27 to bottom hole location in the SE/4 SE/4 (Unit A) of Section 15. The completed interval for the Huckleberry State Com No. 501H Well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Eunice, New Mexico.

13. Case No. 16459: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit 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. The above-referenced unit will be dedicated to the proposed **Huckleberry State Com No. 502H Well** and the proposed **Huckleberry State Com No. 503H Well**. Both wells will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 27 to bottom hole location in the NW/4 NE/4 (Unit B) of Section 15. The completed intervals for both wells will remain within the standard setbacks as

required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Eunice, New Mexico.

14. Case No. 16460: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit 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. The above-referenced unit will be dedicated to the **Huckleberry State Com No. 504H Well** and the proposed **Huckleberry State Com No. 505H Well**. Both wells will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 27 to bottom hole location in the NE/4 NW/4 (Unit C) of Section 15. The completed intervals for both wells will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Eunice, New Mexico.

15. Case No. 16461: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the W/2 W/2 of Section 15 and the W/2 W/2 of Section 22, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the **Huckleberry State Com No. 506H Well** and the proposed **Huckleberry State Com No. 507H Well**. Both wells will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to bottom hole location in the NW/4 NW/4 (Unit D) of Section 15. The completed intervals for both wells will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 5 miles west of Eunice, New Mexico.

16. Case No. 16462: Application of EOG Resources, Inc. for Approval of a 1280-Acre Non-Standard Horizontal Spacing Unit or Unitized Area Comprised of Acreage Subject to a Proposed Communitization Agreement, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving an approximately 1280-acre non-standard spacing unit or unitized area in the Wolfcamp formation comprised of acreage subject to a proposed communitization agreement covering Sections 14 and 23, Township 26 South, Range 33 East, NMPM Lea County, New Mexico. This acreage has been placed in the Sanders Tank; Upper Wolfcamp Pool (98097) and is subject to the Division's general statewide rules for oil development. This subject area is located approximately 5 miles west of Andrews Place, New Mexico.

17. Case No. 16407: 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, if necessary, a non-standard, 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 35, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Brad Dyer Federal No. 205H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 35. The completed interval for this well will remain within the standard offset required by the statewide rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well and a 200% charge

for risk involved in drilling said well. Said area is located approximately 34 miles southeast of Carlsbad, New Mexico.

18. Case No. 16463: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 23, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed **Brad Lummis Fed Com #112H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 27 to bottom hole location in the SE/4 SW/4 (Unit N) of Section 23. The completed interval for the well will remain within the standard setbacks as required by the Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 34 miles southeast of Carlsbad, New Mexico.

19. Case No. 16464: Application of Matador Production Company 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, if necessary, a 320-acre, more or less, non-standard spacing and proration unit in the comprised of the N/2 S/2 of Section 11 and the N/2 S/2 of Section 12, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (3) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **David Edelstein State Com No. 123H Well**, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 12 to a standard bottom hole location in the NW/4 SW/4 (Unit L) of Section 11. The completed interval for this well will remain within the standard statewide offsets 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles southwest of Loving, NM.

20. Case No. 16465: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 800-acre horizontal spacing unit comprised of the SW/4 of Section 17, the W/2 of Section 20, and the W/2 of Section 29, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Pure Gold MDP1 29-17 Federal Com No. 2H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 29 to bottom hole location in the NW/4 SW/4 (Unit L) of Section 17. The horizontal spacing unit includes the adjacent proximity tracts. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of OXY USA Inc. as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 25 miles west of southeast of Carlsbad, New Mexico.

21. Case No. 16466: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 800-acre horizontal spacing unit comprised of the SE/4 of Section 17, the E/2 of Section 20, and the E/2 of Section 29, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Pure Gold MDP1 29-17 Federal Com No. 5H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 29 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 17. The horizontal spacing unit encompasses the adjacent proximity tracts. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for

supervision, designation of OXY USA Inc. as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 25 miles west of southeast of Carlsbad, New Mexico.

22. Case No. 16365 (re-advertised): Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Sections 13 and 24 in Township 19 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. The proposed spacing and proration unit will be dedicated to applicant's proposed **Stetson 13-24 Fed Com 1BS No. 6H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 24. This area is located within the Tonto; Bone Spring Pool (Pool Code 59475) and the completed interval for this well will comply with the setback requirements for this pool. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating, LLC as operator of the well, and imposing a 200% charge for risk involved in drilling said well. Said area is located approximately 28 miles West of Hobbs, New Mexico.

23. Case No. 16366(re-advertised): Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit, compulsory pooling, and approval of a non-standard well location, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 320-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Sections 13 and 24 in Township 19 South, Range 33 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. The proposed spacing and proration unit will be dedicated to applicant's proposed **Stetson 13-24 Fed Com 3BS No. 5H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 13 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 24. This area is located within the Tonto; Bone Spring Pool (Pool Code 59475) and the completed interval for this well will be at an unorthodox location 1595 feet FEL, thereby encroaching on the acreage to the East of the proposed spacing and proration unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating, LLC as operator of the well, and imposing a 200% charge for risk involved in drilling said well. Said area is located approximately 28 miles West of Hobbs, New Mexico.

24. Case No. 16291: (Continued from the September 6, 2018 Examiner Hearing.)

Application of Cimarex Energy Co. of Colorado 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 640-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the W/2 of Sections 11 and 14, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Bradley 14-11 Federal Com 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 Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles southwest of Loving, New Mexico.

25. *Case No. 16292: (Continued from the September 6, 2018 Examiner Hearing.)*

Application of Cimarex Energy Co. of Colorado 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 640-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the E/2 of Sections 3 and 10, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **Cherry Hills 10-3 Federal Com 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 Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles southwest of Loving, New Mexico.

26. *Case No. 16295: (Continued from the September 6, 2018 Examiner Hearing.)*

Amended Application of Cimarex Energy Co. for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 320-acre, more or less, oil spacing and proration unit in the Wolfcamp formation, comprised of the W/4 of Sections 32, Township 25 South, Range 33 East and W/4 of Section 5, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Red Hills Unit 127H**, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles west of Jal, New Mexico.

27. *Case No. 16418: (Continued from the September 20, 2018 Examiner Hearing.)*

Amended Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a non-standard 160-acre, more or less, spacing and proration unit covering the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 TB 1H and Ramathorn Federal Com 22 32 14 FB 22H** 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

28. *Case No. 16419: (Continued from the September 20, 2018 Examiner Hearing.)*

Amended Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a non-standard 160-acre, more or less, spacing and proration unit covering the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and, (2) pooling all uncommitted mineral interests within the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 SB 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, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

29. Case No. 16420: *(Continued from the September 20, 2018 Examiner Hearing.)*

Amended Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, spacing and proration unit covering the W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted mineral interests within the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 WA 2H and Ramathorn Federal Com 22 32 14 WXY 7H** 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

30. Case No. 16144: *(Continued from the September 20, 2018, Examiner Hearing.)*

Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit, non-standard locations, and compulsory pooling, Lea 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 W/2 E/2 of Section 18 and the W/2 NE/4 of Section 19, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; (2) approving non-standard locations; and, (3) 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 **Blueberry Hill Fee 24-35-19 TB 3H** well, to be horizontally drilled. The producing area for the well will have unorthodox locations. 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 14 miles northwest of Jal, New Mexico.

31. Case No. 16145: *(Continued from the September 20, 2018, Examiner Hearing.)*

Application of Marathon Oil Permian LLC for approval of a non-standard spacing and proration unit, non-standard locations, and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 480-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the E/2 of Section 18 and the NE/4 of Section 19, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and, (2) approving non-standard locations; and (3) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. This proposed spacing and proration unit will be the project area for the **Blueberry Hill Fee 24-35-19 WXY 4H, Blueberry Hill Fee 24-35-19 WA 5H, and Blueberry Hill Fee 24-35-19 WA 6H** wells, to be horizontally drilled. The producing area for these wells will have unorthodox locations. 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles northwest of Jal, New Mexico.

32. Case No. 16146: *(Continued from the September 20, 2018, Examiner Hearing.)*

Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit, non-standard locations, and compulsory pooling, Lea 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 18 and the E/2 NE/4 of Section 19, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; (2) approving non-standard locations; and, (3) 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 **Blueberry Hill Fee 24-35-19 TB 10H** well, to be horizontally drilled. The producing area for the well will have unorthodox locations. 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 14 miles northwest of Jal, New Mexico.

33. Case No. 16061: *(Continued from the September 20, 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.

34. Case No. 16062: *(Continued from the September 20, 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.

35. Case No. 16063: *(Continued from the September 20, 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.

36. Case No. 16064: (Continued from the September 20, 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.

37. Case No. 16065: (Continued from the September 20, 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.

38. Case No. 16066: (Continued from the September 20, 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.

39. Case No. 16067: (Continued from the September 20, 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.

40. Case No. 16068: *(Continued from the September 20, 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.

41. Case No. 16301: *(Continued from the September 20, 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 320-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 E/2 of Sections 16 and 21, 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 spacing and proration unit will be the unit for the **Dobro Federal 24-28-16 SB 1H** 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 1-1 ½ mile west of Malaga, New Mexico.

42. Case No. 16302: *(Continued from the September 20, 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 320-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the W/2 E/2 of Sections 16 and 21, 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 spacing and proration unit will be the unit for the **Dobro Federal 24-28-16 TB 6H and Dobro Federal 24-28-16 SB 8H** wells, to be horizontally drilled. The producing area for the 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 1-1 ½ mile west of Malaga, New Mexico.

43. Case No. 16303: *(Continued from the September 20, 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 640-acre, more or less, spacing and proration unit in covering the E/2 of Sections 16 and 21, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be dedicated to the **Dobro Federal 24-28-16 WXY 2H, Dobro Federal 24-28-16 WA 4H, Dobro Federal 24-28-16 WXY 9H, Dobro Federal 24-28-16 WD 3H, Dobro Federal 24-28-16 WD 5H, Dobro Federal 24-28-16 WD 7H, and Dobro Federal 24-28-16 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 1-1 ½ mile west of Malaga, New Mexico.

44. Case No. 16313: (readvertised) (Continued from the September 20, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying a 480-acre horizontal spacing unit comprised of the SE/4 of Section 21 and the E/2 of Section 28, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the **Kansas 21/28 W0IP Fed. Com. Well No. 2H** and the **Kansas W2IP Fed. Com. Well No. 1H**, horizontal wells with surface locations in the NE/4 SE/4 of Section 21, and last take points in the SE/4 SE/4 of Section 28. The producing intervals 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 2-1/2 miles southwest of Malaga, New Mexico.

45. Case No. 16234: (Continued from the September 20, 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 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 **Credence 21/16 W0HA State Com. Well No. 1H** and the **Credence 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

46. Case No. 16235: (Continued from the September 20, 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 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 **Credence 21/16 W2ED State Com. Well No. 1H** and the **Credence 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.

47. Case No. 16386: (Continued from the September 20, 2018 Examiner Hearing.)

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

NW/4 NE/4 of Section 16. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1 mile west of Malaga, New Mexico.

48. Case No. 16387: (Continued from the September 20, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the E/2 NE/4 of Section 21 and the E/2 E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the **Creedence 21/16 B3HA State Com. Well No. 1H**, a horizontal well a first take point in the SE/4 NE/4 of Section 21 and a last take point in the NE/4 NE/4 of Section 16. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1 mile west of Malaga, New Mexico.

49. Case No. 16388: (Continued from the September 20, 2018 Examiner Hearing.)

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

50. Case No. 16409: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Ascent Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 501H, Gavilon Fed. Com. Well No. 502H, and Gavilon Fed. Com. Well No. 601H**, horizontal Bone Spring wells with first take points in the SE/4 SE/4 of Section 33, and last take points in the NE/4 NE/4 of Section 28. 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 3-1/2 miles east-southeast of Halfway, New Mexico.

51. Case No. 16410: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Ascent Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a 320-acre horizontal spacing unit in the Wolfcamp formation comprised of the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 701H and the Gavilon Fed. Com. Well No. 702H**, horizontal Wolfcamp wells with first take points in the SE/4 SE/4 of Section 33, and last take points in the NE/4 NE/4 of Section 28. 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 3-1/2 miles east-southeast of Halfway, New Mexico.

52. Case No. 16411: (Continued from the October 4, 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 uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 N/2 of Sections 7 and 8, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atreides Federal 24-27-8 TB 4H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately Nine (9) miles West of Malaga, New Mexico.

53. Case No. 16412: (Continued from the October 4, 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 uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the N/2 of Sections 7 and 8, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atreides Federal 24-27-8 WXY 2H**, **Atreides Federal 24-27-8 WA 5H**, and the **Atreides Federal 24-27-8 WXY 8H** 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately Nine (9) miles West of Malaga, New Mexico

54. Case No. 16221: (Continued from the October 4, 2018 Examiner Hearing.)

Amended 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, if necessary, 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; (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage; and (3) allocating production based on surface acreage and ownership in the targeted interval. Said spacing 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 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 EOG Resources, Inc. as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 24 miles southeast of Artesia, New Mexico.

55. Case No. 16434: (Continued from the October 4, 2018 Examiner Hearing.)

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 S/2 S/2 of Section 23 and the S/2 S/2 of Section 24, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico; (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage; and (3) allocating production based on surface acreage and ownership in the target interval. Said spacing unit is to be dedicated to

applicant's proposed **Spork 24 Fed Com No. 302H Well** (API No. Pending), the **Spork 24 Fed Com No. 502H**, and the **Spork 24 Fed Com No. 503H Well** (API No. Pending), which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 24 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 23. The completed intervals for these wells will commence and remain within the 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 EOG Resources, Inc. as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 24 miles southeast of Artesia, New Mexico.

56. Case No. 16435: (Continued from the October 4, 2018 Examiner Hearing.)

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, if necessary, a non-standard, 160-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 35, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico and (2) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Brad Dyer Federal No. 202H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 35. The completed interval for this well will remain within the standard offset required by the statewide rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 34 miles southeast of Carlsbad, New Mexico.

57. Case No. 16439: (Continued from the October 4, 2018 Examiner Hearing.)

Amended Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Devonian and Silurian formations through the **McCloy Central SWD #1** well. NGL proposes to drill this well at a surface location 762 feet from the North line and 383 feet from East line of Section 24, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The target injection interval is the Devonian and Silurian formations at a depth of 17,424' – 18,533'. NGL further seeks approval of the use of 7-inch tubing inside the surface and intermediate casings and 5 ½-inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 26 miles west of Jal, New Mexico.

58. Case No. 16441: (Continued from the October 4, 2018 Examiner Hearing.)

Amended Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Devonian and Silurian formations through the **Minuteman SWD #1** well. NGL proposes to drill this well at a surface location 659 feet from the South line and 449 feet from West line of Section 14, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. The target injection interval is the Devonian and Silurian formations at a depth of 16,691' – 18,326'. NGL further seeks approval of the use of 7-inch tubing inside the surface and intermediate casings and 5 ½-inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 22 miles west of Jal, New Mexico.

59. Case No. 16442: (Continued from the October 4, 2018 Examiner Hearing.)

Amended Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Eddy County, New Mexico. Applicant seeks an order approving disposal into the Devonian and Silurian formations through the **Red Road SWD #1** well. NGL proposes to drill this well at a surface location 510 feet from the South line and 1,167 feet from East line of Section 26, Township 23 South, Range 31 East,

NMPM, Eddy County, New Mexico. The target injection interval is the Devonian formations at a depth of 16,450' – 17,458'. NGL further seeks approval of the use of 7 -inch tubing inside the surface and intermediate casings and 5 ½-inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 34 miles west of Jal, New Mexico.

60. Case No. 16443: (Continued from the October 4, 2018 Examiner Hearing.)

Amended Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Devonian and Silurian formations through the **Sidewinder SWD #1** well. NGL proposes to drill this well at a surface location 244 feet from the South line and 1581 feet from East line of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The target injection interval is the Devonian and Silurian formations at a depth of 17,157' – 19,067'. NGL further seeks approval of the use of 7-inch tubing inside the surface and intermediate casings and 5 ½-inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 22 miles west of Jal, New Mexico.

61. Case No. 16415: (Continued from the October 4, 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 uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Sections 7 and 8, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Fremen Federal 24-27-7 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, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately Nine (9) miles West of Malaga, New Mexico.

62. Case No. 16020 (re-opened): (Continued from the October 4, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company to re-open Case No. 16020 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit comprised of the N/2 N/2 of Section 24 and the N/2 N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the **Virgo 24/23 B2AD Fed. Com. Well No. 1H**, a horizontal well with a first take point in the NE/4 NE/4 of Section 24, and a last take point in the NW/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 miles south-southeast of Loco Hills, New Mexico

63. Case No. 16183 (amended and re-advertised) (Continued from the October 4, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit 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. The unit will be dedicated to the **Virgo 24/23 B2HE Fed. Com. Well No. 1H**, a horizontal well with a first take point in the SE/4 NE/4 of Section 24, and a last take point 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.

64. Case No. 16184 (amended and re-advertised): (Continued from the October 4, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.

Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit 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. The unit will be dedicated to the **Virgo 24/23 B2IL Fed. Com. Well No. 1H**, a horizontal well with a first take point in the NE/4 SE/4 of Section 24, and a last take point 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.

65. Case No. 16416: (Continued from the October 4, 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 uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 S/2 of Sections 7 and 8, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Fremen Federal 24-27-7 TB 2H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately Nine (9) miles West of Malaga, New Mexico.

66. Case No. 16417: (Continued from the October 4, 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 uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the S/2 of Sections 7 and 8, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Fremen Federal 24-27-7 WA 3H**, **Fremen Federal 24-27-7 WXY 5H**, and the **Fremen Federal 24-27-7 WA 9H** 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately Nine (9) miles West of Malaga, New Mexico.

67. Case No. 16354: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Rover Operating, LLC for statutory unitization, Eddy County, New Mexico. Applicant seeks an order statutorily unitizing all mineral interests in the Unitized Formation (the top of the Loco Hills Sand to the base of the Lovington Sand) in the proposed RP State Unit underlying 639.60 acres of state lands covering all of Section 2 of Township 17 South, Range 31 East, N.M.P.M. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; and such other matters as may be necessary and appropriate. The unit area is centered approximately 8-1/2 miles northeast of Loco

Hills, New Mexico.

68. Case No. 16355: *(Continued from the October 4, 2018 Examiner Hearing.)*

Application of Rover Operating, LLC for approval of a secondary recovery project, Eddy County, New Mexico. Applicant seeks approval to institute a secondary recovery project in the RP State Unit Area by the injection of water into the Unitized Formation (the top of the Loco Hills Sand to the base of the Lovington Sand) in wells located on 639.60 acres of state lands covering all or parts of Section 2, Township 17 South, Range 31 East, N.M.P.M. The unit area is centered approximately 8-1/2 miles northeast of Loco Hills, New Mexico.