

**DOCKET: SPECIAL EXAMINER HEARING – THURSDAY– NOVEMBER 29, 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 no later than 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. 16020 (re-opened):*** (Continued from the October 18, 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

***2. Case No. 16183 (amended and re-advertised):*** (Continued from the October 18, 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.

***3. Case No. 16184 (amended and re-advertised):*** (Continued from the October 18, 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.

***4. Case No. 16221:*** (Continued from the October 18, 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.

**5. Case No. 16434:** *(Continued from the October 18, 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.