

DOCKET: EXAMINER HEARING – THURSDAY – NOVEMBER 1, 2018

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

The next Examiner Dockets are tentatively set for November 15, 2018 and December 6, 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. The following cases will be heard by an Examiner.

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Case 16320 - No. 68	Case 16465 - No. 49	Case 16495 - No. 33
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Case 16345 - No. 71	Case 16467 - No. 4	Case 16497 - No. 35
Case 16354 - No. 89	Case 16468 - No. 5	Case 16498 - No. 36
Case 16355 - No. 90	Case 16469 - No. 6	Case 16499 - No. 37
Case 16365 - No. 60	Case 16470 - No. 7	Case 16500 - No. 38
Case 16366 - No. 61	Case 16471 - No. 8	Case 16501 - No. 39
Case 16381 - No. 74	Case 16472 - No. 9	Case 16502 - No. 40
Case 16383 - No. 77	Case 16473 - No. 10	Case 16503 - No. 41
Case 16384 - No. 78	Case 16474 - No. 11	Case 16504 - No. 42
Case 16392 - No. 76	Case 16475 - No. 12	Case 16505 - No. 43
Case 16404 - No. 1	Case 16476 - No. 14	Case 16506 - No. 44
Case 16409 - No. 82	Case 16477 - No. 15	Case 16507 - No. 45
Case 16410 - No. 83	Case 16478 - No. 16	Case 16508 - No. 46
Case 16411 - No. 84	Case 16479 - No. 17	Case 16509 - No. 47

1. Case No. 16404: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Continental Resources, Inc. for Approval of the Callaway State Exploratory Unit, Lea County, New Mexico. Applicant seeks approval of its Callaway State Exploratory Unit, which comprises 1,640 acres, more or less, of State of New Mexico lands situated in the S/2 SW/4 and SE/4 of Section 22, all of Section 27, the S/2 of Section 28, the E/2 E/2 of Section 33, and the NW/4, SE/4 SW/4, and W/2 SW/4 of Section 34, Township 16 South, Range 36 East, N.M.P.M., in Lea County. The unitized interval includes all formations underlying the unit area. The unit is located approximately two (2) miles south of Lovington, New Mexico.

2. Case No. 16282: (Readvertised): Application of Novo Oil & Gas, LLC for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order creating a 320-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2S/2 of Section 4 and S/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico. Applicant further seeks the pooling of all uncommitted interests in the Bone Spring formation underlying this acreage. This non-standard unit is to be dedicated to the applicant's **Rana Salada Fed Com 6 4 23S 29E 3B #1H well** which will be horizontally drilled from a surface location in the SE/4SE/4 of Section 6, Township 23 South, Range 29 East, to a first take-point location in the SW/4SW/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the SE/4SE/4 of Section 4, Township 23 South, Range 29 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico.

3. Case No. 16283 (Readvertised): Application of Novo Oil & Gas, LLC for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order creating a 320-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2S/2 of Section 4 and N/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico. Applicant further seeks the pooling of all uncommitted interests in the Bone Spring formation underlying this acreage. This non-standard unit is to be dedicated to the applicant's **Rana Salada Fed Com 6 4 23S 29E 3B #2H well** which will be horizontally drilled from a surface location in the NE/4SE/4 of Section 6, Township 23 South, Range 29 East, to a first take-point location in the NW/4SW/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the NE/4SE/4 of Section 4, Township 23 South, Range 29 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico.

4. Case No 16467: Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the N/2 of Section 7 and the N/2 of Section 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, pooling all mineral interests in the Bone Spring formation (Cass Draw Bone Spring; Pool code 10380) underlying the standard unit, and (2) pooling all uncommitted interests in the Bone Spring formation (Cass Draw Bone Spring; Pool code 10380). Said horizontal spacing unit is to be assigned to the proposed initial **Old Chub 23S27E0807 Fed Com #131H well**, to be horizontally drilled from an approximate surface location 742' FNL and 396' FEL of Section 8 to a bottom hole location 660' FNL and 5' FWL of Section 7. This well is the "defining well" for this unit. Also to be

drilled is the following infill well: Old Chub 23S27E0807 Fed Com #132H well, to be horizontally drilled from an approximate surface location 1785' FNL and 390' FEL of Section 8 to a bottom hole location 1980' FNL and 5' FWL of Section 7. The completed intervals and first and last take points for these wells are within the setbacks required by state-wide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 4 miles South of Carlsbad, New Mexico.

5. Case No.16468: Application of BTA Oil Producers, LLC for approval of a produced water disposal well, Eddy County, New Mexico. Applicant seeks an order authorizing the injection of produced water into the Devonian formation through its proposed **White River SWD Well No. 1 well** (API No. 30-015-44813) to be located 940 feet from the North line and 340 feet from the West line (Unit D) in Section 29, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Applicant seeks authority to inject produced water into the Devonian formation at a depth of 13,729-15,000 feet by an open hole system. Said well is located approximately 3 miles West of Loving, New Mexico

6. Case No. 16469: Application of McElvain Energy Inc. for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order an order pooling all uncommitted interest in the Bone Spring formation (E-K Bone Spring Pool (Pool Code 21650)) in the 240-acre, more or less, horizontal spacing unit comprised of the W/2 NW/4 of Section 6, Township 19 South, Range 34 East, and the W/2 W/2 of Section 31, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. The horizontal spacing unit will be dedicated to McElvain's proposed **EK 31 BS2 Federal Com No. 4H Well**, which will be drilled horizontally from a surface location in the NW/4 NW/4 (Lot 1) of Section 31, Township 18 South to a bottom hole location in the SW/4NW/4 (Lot 5) of Section 6, Township 19 South The completed interval for this well will be at an orthodox location. 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 McElvain Energy, Inc. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles west of Hobbs, New Mexico.

7. Case No. 16470: Application of Matador Production Company 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 316.36-acre horizontal spacing unit comprised of the N/2N/2 of Section 29 and the N/2N/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 121H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 1) of Section 30 to bottom hole location in the NE/4NE/4 (Unit A) of Section 29. 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 10 miles northeast of Carlsbad, New Mexico.

8. Case No. 16471: Application of Matador Production Company 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 316.84-acre horizontal spacing unit comprised of the S/2N/2 of Section 29 and the S/2N/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 122H Well**, which will be horizontally drilled from a surface location in the SW/4NW/4 (Lot 2) of Section 30 to bottom hole location in the SE/4NE/4 (Unit H) of Section 29. 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 10 miles northeast of Carlsbad, New Mexico.

9. Case No 16472: Application of Matador Production Company 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 317.32-acre horizontal spacing unit comprised of the N/2S/2 of Section 29 and the N/2S/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 123H Well**, which will be horizontally drilled from a surface location in the NW/4SW/4 (Lot 3) of Section 30 to bottom hole location in the NE/4SE/4 (Unit I) of Section 29. 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 10 miles northeast of Carlsbad, New Mexico.

10. Case No. 16473: Application of Matador Production Company 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 317.82-acre horizontal spacing unit comprised of the S/2S/2 of Section 29 and the S/2S/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 124H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 (Lot 4) of Section 30 to bottom hole location in the SE/4SE/4 (Unit P) of Section 29. 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 10 miles northeast of Carlsbad, New Mexico.

11. Case No. 16474: Application of Matador Production Company 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 633.18-acre horizontal spacing unit comprised of the N/2 of Section 29 and the N/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 201H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 1) of Section 30 to bottom hole location in the NE/4NE/4 (Unit A) of Section 29. The completed interval for Leatherneck 30 Fed No. 201H Well will comply with the 330-foot setback requirement contained in the Special Rules for the Purple Sage Gas Pool. 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 10 miles northeast of Carlsbad, New Mexico.

12. Case No.16475: Application of Matador Production Company 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 635.14-acre horizontal spacing unit comprised of the S/2 of Section 29 and the S/2 of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed **Leatherneck 30 Fed No. 203H Well**,

which will be horizontally drilled from a surface location in the NW/4SW/4 (Lot 3) of Section 30 to bottom hole location in the NE/4SE/4 (Unit I) of Section 29. The completed interval for Leatherneck 30 Fed No. 203H Well will comply with the 330-foot setback requirement contained in the Special Rules for the Purple Sage Gas Pool. 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 10 miles northeast of Carlsbad, New Mexico.

13. Case No. 16462: (Continued from the October 18, 2018 Examiner Hearing.)

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.

14. Case No. 16476: 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 Wolfcamp formation underlying a 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 6 and the W/2 of Section 7, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to five proposed horizontal wells:

- The **Height CC 6-7 Federal Com No. 31H Well**, which will be drilled horizontally from a from a surface location in the NW/4NW/4 (Lot 4) of Section 6 to a standard bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Height CC 6-7 Federal Com No. 32H Well**, which will be drilled horizontally from a from a surface location in the NW/4NW/4 (Lot 4) of Section 6 to a standard bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Height CC 6-7 Federal Com No. 33H Well**, which will be horizontally drilled from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to bottom hole location in the SE/4SW/4 (Unit N) of Section 7;
- The **Time CC 6-7 Federal Com No. 41H Well**, which will be horizontally drilled from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Time CC 6-7 Federal Com No. 42H Well**, which will be horizontally drilled from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to bottom hole location in the SE/4SW/4 (Unit N) of Section 7.

The completed interval for each well will comply with the setback requirements set forth in the Special Rules for the Purple Sage Pool. 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 3 miles west of northeast of Malaga, New Mexico.

15. Case No. 16477: 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 Wolfcamp formation underlying a 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 6 and the E/2 of Section 7, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to five proposed horizontal wells:

- The **Height CC 6-7 Federal Com No. 34H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Height CC 6-7 Federal Com No. 35H Well**, which will be drilled horizontally from a from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to a standard bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Height CC 6-7 Federal Com No. 36H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to bottom hole location in the SE/4SE/4 (Unit P) of Section 7;
- The **Time CC 6-7 Federal Com No. 43H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Time CC 6-7 Federal Com No. 44H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to bottom hole location in the SE/4SE/4 (Unit P) of Section 7.

The completed interval for each well will comply with the setback requirements set forth in the Special Rules for the Purple Sage Pool. 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 3 miles west of northeast of Malaga, New Mexico.

16. Case No. 16478: 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 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 6 and the W/2 of Section 7, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to five proposed horizontal wells:

- The **Width CC 6-7 Federal Com No. 11H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Width CC 6-7 Federal Com No. 12H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SE/4SW/4 (Unit N) of Section 7;
- The **Length CC 6-7 Federal Com No. 21H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 4) of Section 6 to bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Length CC 6-7 Federal Com No. 22H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 4) of Section 6 to bottom hole location in the SW/4SW/4 (Lot 4) of Section 7;
- The **Length CC 6-7 Federal Com No. 23H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SE/4SW/4 (Unit N) of Section 7.

The horizontal spacing unit includes the adjacent proximity tracts. Incorporating the proximity tracts, the completed interval for each well will comply with Statewide setback requirements. 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 3 miles west of northeast of Malaga, New Mexico.

17. Case No. 16479: 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 640-acre, more or less, horizontal spacing unit comprised of the E/2

of Section 6 and the E/2 of Section 7, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to five proposed horizontal wells:

- The **Width CC 6-7 Federal Com No. 13H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Width CC 6-7 Federal Com No. 14H Well**, which will be drilled horizontally from a from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to a standard bottom hole location in the SE/4SE/4 (Unit P) of Section 7;
- The **Length CC 6-7 Federal Com No. 24H Well**, which will be drilled horizontally from a from a surface location in the NE/4NW/4 (Lot 3) of Section 6 to a standard bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Length CC 6-7 Federal Com No. 25H Well**, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to bottom hole location in the SW/4SE/4 (Unit O) of Section 7;
- The **Length CC 6-7 Federal Com No. 26H Well**, which will be drilled horizontally from a from a surface location in the NE/4NE/4 (Lot 1) of Section 6 to a standard bottom hole location in the SE/4SE/4 (Unit P) of Section 7.

The horizontal spacing unit includes the adjacent proximity tracts. Incorporating the proximity tracts, the completed interval for each well will comply with Statewide setback requirements. 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 3 miles west of northeast of Malaga, New Mexico.

18. Case No. 16480: Application of RKI Exploration and Production, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 320-acre, more or less, spacing and proration unit comprised of the S/2 of Section 32, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to the applicant's proposed **Boxer 32-22-27 Fee No. 401H Well**, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) to a standard bottom hole location in in the NW/4 SW/4 (Unit L) of Section 32. The completed interval for this well will remain within the offset required by the Special Rules set forth in Order No. R-14262. 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 RKI Exploration and Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles southwest of Carlsbad, New Mexico.

19. Case No. 16481: Application of Ascent Energy, LLC for compulsory pooling, Eddy 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 W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the **Anvil Fed. Com. Well No. 401H, Anvil Fed. Com. Well No. 501H, and Anvil Fed. Com. Well No. 601H**, horizontal Bone Spring wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/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 16-1/2 miles northeast of Carlsbad, New Mexico.

20. Case No. 16482: Application of Ascent Energy, LLC for compulsory pooling, Eddy 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 W/2W/2 of Section 28 and the W/2W/2 of Section 33, Township 20 South, Range 30 East, NMPM. The unit will be dedicated to the

Anvil Fed. Com. Well No. 701H and Anvil Fed. Com. Well No. 702H, horizontal Wolfcamp wells with first take points in the SW/4SW/4 of Section 33 and final take points in the NW/4NW/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 16-1/2 miles northeast of Carlsbad, New Mexico.

21. Case No. 16483: 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/2W/2 of Section 28 and the E/2W/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 505H and the Gavilon Fed. Com. Well No. 603H**, horizontal Bone Spring wells with first take points in the SE/4SW/4 of Section 33 and last take points in the NE/4NW/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 miles east-southeast of Halfway, New Mexico.

22. Case No. 16484: 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 W/2E/2 of Section 28 and the W/2E/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 506H and the Gavilon Fed. Com. Well No. 604H**, horizontal Bone Spring wells with first take points in the SW/4SE/4 of Section 33 and last take points in the NW/4NE/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.

23. Case No. 16485: 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/2W/2 of Section 28 and the E/2W/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 705H and the Gavilon Fed. Com. Well No. 706H**, horizontal Wolfcamp wells with first take points in the SE/4SW/4 of Section 33 and last take points in the NE/4NW/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 miles east-southeast of Halfway, New Mexico.

24. Case No. 16486: 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 W/2E/2 of Section 28 and the W/2E/2 of Section 33, Township 20 South, Range 33 East, NMPM. The unit will be dedicated to the **Gavilon Fed. Com. Well No. 707H and the Gavilon Fed. Com. Well No. 708H**, horizontal Wolfcamp wells with first take points in the SW/4SE/4 of Section 33 and last take points in the NW/4NE/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.

25. Case No. 16487: Application of Cimarex Energy Co. 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 W/2 of Section 20 and the W/2 of Section 17, Township 24 South, Range 26 East, NMPM. The unit will be dedicated to the **Shinnecock Hills 20-17 Fed. Com. Well No. 1H**, a horizontal well with a first take point in the S/2SW/4 of 20 and a final take point in the N/2NW/4 of Section 17. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles west of Black River Village, New Mexico

26. Case No. 16488: Application of Cimarex Energy Co. 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 E/2 of Section 20 and the E/2 of Section 17, Township 24 South, Range 26 East, NMPM. The unit will be dedicated to the **Shinnecock Hills 20-17 Fed. Com. Well No. 15H**, a horizontal well with a first take point in the SE/4SE/4 of 20 and a final take point in the NE/4NE/4 of Section 17. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 3-1/2 miles west of Black River Village, New Mexico.

27. Case No. 16489: Application of Tap Rock Resources, LLC for a compulsory pooling, Eddy County, New Mexico. Tap Rock Resources, LLC seeks an order pooling all mineral interests in the Wolfcamp formation underlying a 450.95 acre horizontal spacing unit comprised of the E/2 of Section 29 and Lots 3-5 and the NW/4NE/4 (the E/2) of Section 32, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the **Eddie Scott 26S28E2932 Well No. 244H**, to be drilled to a depth sufficient to test the Wolfcamp formation. The well is a horizontal well, with a first take point in the NE/4NE/4 of Section 29 and a last take point in Lot 4 of Section 32. 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 Tap Rock Operating, LLC as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles west-northwest of the intersection of U.S. Highway 285 with the New Mexico-Texas border.

28. Case No. 16490: 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 S/2S/2 of Section 36 and the S/2SE/4 of Section 35, Township 17 South, Range 30 East, NMPM. The unit will be dedicated to the **Gemini 36/35 B2PO Fed. Com. Well No. 1H**, a horizontal well with a first take point in the SE/4SE/4 of Section 36 and a final take point in the SW/4SE/4 of Section 35. 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 4 miles southeast of Loco Hills, New Mexico.

29. Case No. 16491: 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 237.53 acre horizontal spacing unit in the Bone Spring formation comprised of Lots 3, 6, 11, 14 and the E/2SW/4 (the E/2W/2) of oversized Section 6, Township 21 South, Range 35 East, NMPM. The unit will be dedicated to the **La Trucha 6 B1CV State Com. Well No. 1H**, a horizontal well with a first take point in Lot 3 and a last take point in the SE/4SW/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.

30. Case No.16492: 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 N/2N/2 of Section 20 and the N/2N/2 of Section 19, Township 22 South, Range 28 East, NMPM. The unit will be dedicated to the **Little Giants 20/19 B3AD Fed. Com. Well No. 1H**, a horizontal well a first take point in the NE/4NE/4 of Section 20 and a final take point in the NW/4NW/4 of Section 19. 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 7 miles east-southeast of Carlsbad, New Mexico.

31. Case No. 16493: 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 S/2N/2 of Section 20 and the S/2N/2 of Section 19, Township 22 South, Range 28 East, NMPM. The unit will be dedicated to the **Little Giants 20/19 B3HE Fed. Com. Well No. 1H**, a horizontal well a first take point in the SE/4NE/4 of Section 20 and a final take point in the SW/4NW/4 of Section 19. 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 7 miles east-southeast of Carlsbad, New Mexico.

32. Case No. 16494: 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 in a horizontal spacing unit comprised of the N/2 of Section 20 and the N/2 of Section 19, Township 22 South, Range 28 East, NMPM. The unit will be dedicated to: (a) The **Little Giants 20/19 W0AD Fed. Com. Well No. 1H**, to be drilled to a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the NE/4NE/4 of 20 and a final take point in the NW/4NW/4 of Section 19; (b) The **Little Giants 20/19 W0HE Fed. Com. Well No. 2H** to be drilled to a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the SE/4NE/4 of 20 and a final take point in the SW/4NW/4 of Section 19; and (c) The **Little Giants 20/19 W0HE Fed. Com. Well No. 3H** to be drilled a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the SE/4NE/4 of 20 and a final take point in the SW/4NW/4 of Section 19. 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 7 miles east-southeast of Carlsbad, New Mexico.

33. Case No.16495: 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 in a horizontal spacing unit comprised of the S/2 of Section 20 and the S/2 of Section 19, Township 22 South, Range 28 East, NMPM. The unit will be dedicated to: (a) The **Little Giants 20/19 W0PM Fed. Com. Well No. 1H**, to be drilled to a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the SE/4SE/4 of 20 and a final take point in the SW/4SW/4 of Section 19; (b) The **Little Giants 20/19 W0PM Fed. Com. Well No. 2H** to be drilled to a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the SE/4SE/4 of 20 and a final take point in the SW/4SW/4 of Section 19; and (c) The **Little Giants 20/19 W0IL Fed. Com. Well No. 3H** to be drilled a depth sufficient to test the Wolfcamp formation. The well is a horizontal well with a first take point in the NE/4SE/4 of 20 and a final take point in the NW/4SW/4 of Section 19. 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 7 miles east-southeast of Carlsbad, New Mexico.

34. Case No. 16496: 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 Lots 1-4 (the N/2N/2) of Section 1 and Lots 1 and 2 (the N/2NE/4) of Section 2, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the **Loco Hills 1//2 B2AB Fed. Com. Well No. 1H**, a horizontal well with a first take point in Lot 1 of Section 1 and a final take point in Lot 2 of Section 2. 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 4 miles southeast of Loco Hills, New Mexico.

35. Case No. 16497: 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 N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 19 South, Range 28 East, NMPM. The unit will be dedicated to the **Parkchester 24/23 B2AD State Com. Well No. 1H and the Parkchester 24/23 B3AD State Com. Well No. 2H**, horizontal wells with first take points in the NE/4NE/4 of Section 24 and final take points in the NW/4NW/4 of Section 23. 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 8 miles east-northeast of Lakewood, New Mexico.

36. Case No. 16498: 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 W/2 of Section 2 and the NW/4 of Section 11, Township 24 South, Range 27 East, NMPM. The unit will be dedicated to: (i) the **South Loving 2/11 W0CF State Well No. 1H**, a horizontal well with a first take point in the NE/4NW/4 of 2 and a final take point in the SE/4NW/4 of Section 11; and (ii) the **South Loving 2/11 W0DE State Well No. 1H**, a horizontal well with a first take point in the NW/4NW/4 of 2 and a final take point in the SW/4NW/4 of Section 11. 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 northeast of Black River Village, New Mexico.

37. Case No. 16499: 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 S/2S/2 of Section 35 and the S/2S/2 of Section 34, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the **Wishbone 35/34 B2PM State Com. Well No. 1H**, a horizontal well a first take point in the SE/4SE/4 of Section 35 and a final take point in the SW/4SW/4 of Section 34. 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 miles south-southwest of Loco Hills, New Mexico.

38. Case No. 16500: Application of Apache Corporation for a horizontal unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 E/2 of Section 22 and the E/2 E/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **Ghost Rider 22-15 Federal 201H and 202H wells**, 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 Apache as operator of the well, and a

200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

39. Case No. 16501: Application of Apache Corporation for a horizontal unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the W/2 E/2 of Section 22 and the W/2 E/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **Ghost Rider 22-15 Federal 203H** and **204H wells**, 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 Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

40. Case No. 16502: Application of Apache Corporation for a horizontal unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 W/2 of Section 22 and the E/2 W/2 S/2 of Section 15, Township 24 South, Range 32 East, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **Ghost Rider 22-15 Federal 205H** and **206H wells**, 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 Apache as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles west-northwest of Jal, New Mexico.

41. Case No. 16503: Application of Read & Stevens, Inc. for a horizontal spacing unit and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a 160-acre, more or less, horizontal spacing and proration unit covering the W/2W/2 of Section 3, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the **North Lea 3 Federal Com #4H** well, being 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 Read & Stevens as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles west of Hobbs, New Mexico.

42. Case No. 16504: 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 Silurian-Devonian formation through the **Cobra SWD #1** well a surface location 326 feet from the North line and 718 feet from the East line of Section 19, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. The target injection interval is the Silurian-Devonian formation at a depth of 15,600' - 17,261'. 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 6 miles west of Jal, New Mexico.

43. Case No. 16505: 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 Silurian-Devonian formation through the **Galaxy SWD #1** well at a surface location 345 feet from the North line and 336 feet from the East line of Section 29, Township 26 South, Range 36 East, NMPM, Lea County,

New Mexico for the purpose of operating a salt water disposal well. NGL seeks authority to inject salt water into the Silurian-Devonian formation at a depth of 18,743' – 20,088'. 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 5 miles southwest of Bennett, NM.

44. Case No. 16506: 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 Silurian and Devonian formations through the **Harpoon SWD #1 well** at a surface location 457 feet from the North line and 2,353 feet from the East line of Section 33, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, for the purpose of operating a salt water disposal well. The target injection interval is the Silurian and Devonian formations at a depth of 16,525 – 18,202'. 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 17 miles west of Jal, New Mexico.

45. Case No. 16507: 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 Siluro-Devonian formation through the **Moab SWD #1 well** at a surface location 255 feet from the South line and 1,538 feet from the West line of Section 24, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. The target injection interval is the Siluro-Devonian formation at a depth of 16,400' — 18,004'. 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.

46. Case No. 16508: 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 Siluro-Devonian formation through the **Patriot SWD #1 well** at a surface location 682 feet from the North line and 655 feet from the West line of Section 31, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. The target injection interval is the Siluro-Devonian formation at a depth of 16,500' – 18,170'. 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 20 miles west of Jal, New Mexico.

47. Case No. 16509: 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 Silurian and Devonian formations through the **Raptor SWD #1 well** at a surface location 295 feet from the North line and 1,580 feet from the West line of Section 27, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico, for the purpose of operating a salt water disposal well. The target injection interval is the Silurian and Devonian formations at a depth of 18,529 – 19,874'. 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 4 miles southwest of Jal, New Mexico.

48. Case No. 16443: (Continued from the October 18, 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.

49. Case No. 16465 (amended and re-advertised): Amended 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, including the adjacent proximity tracts, will be dedicated to three initial horizontal wells: the proposed **Pure Gold MDP1 29-17 Federal Com No. 1H Well** and **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/4SW/4 (Unit L) of Section 17, and the proposed **Pure Gold MDP1 29-17 Federal Com No. 3H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) of Section 29 to bottom hole location in the NE/4SW/4 (Unit K) 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.

50. Case No. 16466 (amended and re-advertised): Amended 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, including the proximity tracts, will be dedicated to three initial wells: the proposed **Pure Gold MDP1 29-17 Federal Com No. 4H Well**, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit N) of Section 29 to bottom hole location in the NW/4SE/4 (Unit J) of Section 17, and the **Pure Gold MDP1 29-17 Federal Com No. 5H Well** and **Pure Gold MDP1 29-17 Federal Com No. 6H Well**, which will both be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 29 to bottom hole location in the NE/4SE/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.

51. Case No. 16262 (amended and re-advertised): Amended Application of Chisholm Energy Operating, LLC for an unorthodox well location and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order 1) pooling all uncommitted interests from the top of the Delaware formation, at a stratigraphic equivalent of 7,768 feet measured depth, to the base of the Bone Spring formation, in the 324.81-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Section 1 and the E/2 W/2 of Section 12, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico; and (2) approving the unorthodox well location. Said unit is to be dedicated to applicant's proposed **Buffalo 12-1 Fed Com 2BS No. 1H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12 to a bottom hole location in the NE/4 NW/4 (Lot 3) of Section 1. The completed interval for this well will be at an unorthodox location because it is closer to the northwestern

and western boundaries of the spacing and proration 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 25 miles southwest of Lovington, New Mexico.

52. Case No. 16445: (Continued from the October 4, 2018 Examiner Hearing.)

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

53. Case No. 16206: (Continued from the October 4, 2018 Examiner Hearing.)

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

54. Case No. 16455: (Continued from the October 18, 2018 Examiner Hearing.)

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.

55. Case No. 16449: (Continued from the October 18, 2018 Examiner Hearing.)

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.

56. Case No. 16450: (Continued from the October 18, 2018 Examiner Hearing.)

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.

57. Case No. 16292: (Continued from the October 18, 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.

58. Case No. 16430: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the N/2 of Section 7 and the N/2 of Section 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the standard unit, and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool). Said horizontal spacing unit is to be assigned to the proposed initial **Old Chub 23S27E0807 Fed Com #201H well**, to be horizontally drilled from an approximate surface location 637' FNL and 366' FEL of Section 8 to a bottom hole location 3500' FNL and 200' FWL of Section 7. This well is the "defining well" for this unit. Also to be drilled are the following infill wells: (1) **Old Chub 23S27E0807 Fed Com #202H well**, to be horizontally drilled from an approximate surface location 1805' FNL and 360' FEL of Section 8 to a bottom hole location 1668' FNL and 200' FWL of Section 7, (2) the **Old Chub 23S27E0807 Fed Com #205H well**, to be horizontally drilled from an approximate surface location 667' FNL and 366' FEL of Section 8 to a bottom hole location 1000' FNL and 200' FWL of Section 7, and (3) the **Old Chub 23S27E0807 Fed Com #207H well**, to be horizontally drilled from an approximate surface location 1835' FNL and 360' FEL of Section 8 to a bottom hole location 2326' FNL and 200' FWL of Section 7. The completed intervals and first and last take points for these wells are within the setbacks required by the Purple Sage-Wolfcamp pool rules. Also to be considered will be the cost of

drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 4 miles South of Carlsbad, New Mexico.

59. Case No. 16431: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Tap Rock Operating, LLC for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Section 7 and the S/2 of Section 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool) underlying the standard unit, and (2) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage-Wolfcamp Pool). Said horizontal spacing unit is to be assigned to the proposed initial **Old Chub 23S27E0807 Fed Com #203H well**, to be horizontally drilled from an approximate surface location 1914' FSL and 355' FEL of Section 8 to a bottom hole location 2317' FSL and 200' FWL of Section 7. This well is the "defining well" for this unit. Also to be drilled are the following infill wells: (1) **Old Chub 23S27E0807 Fed Com #204H well**, to be horizontally drilled from an approximate surface location 1035' FSL and 325' FEL of Section 8 to a bottom hole location 994' FSL and 200' FWL of Section 7, (2) the **Old Chub 23S27E0807 Fed Com #206H well**, to be horizontally drilled from an approximate surface location 1884' FSL and 355' FEL of Section 8 to a bottom hole location 1664' FSL and 200' FWL of Section 7, and (3) the **Old Chub 23S27E0807 Fed Com #208H well**, to be horizontally drilled from an approximate surface location 1005' FSL and 325' FEL of Section 8 to a bottom hole location 341' FSL and 200' FWL of Section 7. The completed intervals and first and last take points for these wells are within the setbacks required by the Purple Sage-Wolfcamp pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 4 miles South of Carlsbad, New Mexico.

60. Case No. 16365 (re-advertised): (Continued from the October 18, 2018 Examiner Hearing.)

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.

61. Case No. 16366(re-advertised): (Continued from the October 18, 2018 Examiner Hearing.)

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.

62. Case No. 16150: *(Continued from the August 30, 2018 Examiner Hearing.)*

Application of Marathon Oil Permian LLC for the 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 spacing 320-acre, more or less, spacing and proration unit covering the W/2 of Section 18, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; (2) pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit; and (3) the approval of non-standard locations. This proposed non-standard spacing and proration unit will be the project area for the **Halberd Federal 24-35-18 WA 5H; Halberd Federal 24-35-18 WXY 3H; and Halberd Federal 24-35-18 WXY 10H** 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 15 miles northwest of Jal, New Mexico.

63. Case No. 16151: *(Continued from the August 30, 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 160-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the W/2 W/2 of Section 18, 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 **Halberd Federal 24-35-18 FB 12H and Halberd Federal 24-35-18 TB 6H** wells, to be horizontally drilled. The producing area for the wells 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 15 miles northwest of Jal, New Mexico.

64. Case No. 16316: *(Continued from the August 30, 2018 Examiner Hearing.)*

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above styled cause seeks an order (1) creating an 160-acre, more or less, spacing and proration unit comprised of E/2 SE/4 of Section 18 and E/2 NE/4 of Section 19, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring Formation, Wolfbone Pool, underlying said acreage. Said spacing unit shall be dedicated to the **Snapback Fee 501H Well**, with a surface location in the NE/4 SE/4 (Unit I) of Section 18 and a bottom hole location in SE/4 NE/4 (Unit H) of Section 19. The completed interval for this well will remain within the 330-foot standard offset required by the Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well, and a 200% penalty for risk involved in the

drilling the well. Said area is approximately 14 miles northwest of Jal, New Mexico.

65. Case No. 16317: (Continued from the August 30, 2018 Examiner Hearing.)

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above styled cause seeks an order (1) creating an 160-acre, more or less, spacing and proration unit comprised of W/2 SE/4 of Section 18 and W/2 NE/4 of Section 19, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring Formation, Wolfbone Pool, underlying said acreage. Said spacing unit shall be dedicated to the **Snapback Fee 502H Well**, with a surface location in the NW/4 SE/4 (Unit J) of Section 18 and a bottom hole location in SW/4 NE/4 (Unit G) of Section 19. The completed interval for this well will remain within the 330-foot standard offset required by the Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well, and a 200% penalty for risk involved in the drilling the well. Said area is approximately 14 miles northwest of Jal, New Mexico.

66. Case No. 16318: (Continued from the August 30, 2018 Examiner Hearing.)

Application of COG Operating LLC for a standard horizontal spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the division: (1) creating a standard 480-acre, more or less, horizontal spacing and proration unit comprised of the SW/4 of Section 18 and the W/2 of Section 19, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring Formation, Wolfbone Pool, underlying this acreage. Said horizontal spacing unit is to be assigned to two proposed initial wells, to be drilled and completed simultaneously: the **Snapback Fed Com Well No. 503H** and the **Snapback Fed Com Well No. 504H**. The **Snapback Fed Com Well No. 503H** will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 19 to bottom hole locations in the NE/4 SW/4 (Unit K) of Section 18, and the **Snapback Fed Com Well No. 504H** will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 19 to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 18. The completed intervals for the **Snapback Fed Com Well No. 503H** and the **Snapback Fed Com Well No. 504H** will remain within the 330-foot offset as required by the Statewide rules for oil wells. The first and last take points for the **Snapback Fed Com Well No. 503H** and the **Snapback Fed Com Well No. 504H** will remain within the 100-foot spacing requirement mandated by the Statewide rules for oil wells. Also to be considered will be the timing of the drilling and completion of said wells, the cost of drilling and completion of said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Jal, New Mexico.

67. Case No. 16319: (Continued from the August 30, 2018 Examiner Hearing.)

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above styled cause seeks an order (1) creating a 320-acre, more or less, horizontal spacing and proration unit comprised of SE/4 Section 18 and the NE/4 Section 19, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation, Wolfbone Pool, underlying said acreage. Said spacing unit is for seven proposed initial wells, to be drilled and completed simultaneously: **Snapback Fee 601H Well**, to be drilled horizontally from a surface location in NE/4 SE/4 (Unit I) of Section 18 to a bottom hole location in SE/4 NE/4 (Unit H) of Section 19, with an unorthodox location; **Snapback Fee 602H Well**, **Snapback Fee 701H Well**, and **Snapback Fee 702H Well**, to be drilled horizontally from surface locations in NE/4 SE/4 (Unit I) of Section 18 to bottom hole locations in SE/4 NE/4 (Unit H) of Section 19, which will remain within the 330-foot offset as required by the Statewide rules for oil wells; **Snapback Fee 703H Well** and **Snapback Fee 704H Well** to be drilled horizontally from surface locations in NW/4 SE/4 (Unit J) of Section 18 to bottom hole locations in SW/4 NE/4 (Unit G) of Section 19, which will remain within the 330-foot offset as required by the Statewide

rules for oil wells; and **Snapback Fee 603H Well**, to be drilled horizontally from a surface location in NW/4 SE/4 (Unit J) of Section 18 to a bottom hole location in SW/4 NE/4 (Unit G) of Section 19, with an unorthodox location. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the wells, and a 200% penalty for risk involved in the drilling the wells. Said area is approximately 14 miles northwest of Jal, New Mexico.

68. Case No. 16320: (Continued from the August 30, 2018 Examiner Hearing.)

Application of COG Operating LLC for a standard horizontal spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the division: (1) creating a standard 480-acre, more or less, horizontal spacing and proration unit comprised of the SW/4 of Section 18 and the W/2 of Section 19, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation, Wolfbone Pool, underlying this acreage. Said horizontal spacing unit is to be assigned to six proposed initial wells, to be drilled and completed simultaneously: the **Snapback Fed Com Well No. 604H, Snapback Fed Com Well No. 605H, Snapback Fed Com Well No. 705H, Snapback Fed Com Well No. 706H, Snapback Fed Com Well No. 707H and Snapback Fed Com Well No. 708H**. The **Snapback Fed Com Well No. 605H, Snapback Fed Com Well No. 707H and Snapback Fed Com Well No. 708H** will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 19 to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 18. The **Snapback Fed Com Well No. 604H, Snapback Fed Com Well No. 705H, and Snapback Fed Com Well No. 706H** will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 19 to bottom hole locations in the NE/4 SW/4 (Unit K) of Section 18. The completed intervals for the **Snapback Fed Com Well No. 604H, Snapback Fed Com Well No. 605H, Snapback Fed Com Well No. 705H, Snapback Fed Com Well No. 706H, Snapback Fed Com Well No. 707H and Snapback Fed Com Well No. 708H** will remain within the 330-foot offset as required by the Statewide rules for oil wells. The first and last take points for the **Snapback Fed Com Well No. 604H, Snapback Fed Com Well No. 605H, Snapback Fed Com Well No. 705H, Snapback Fed Com Well No. 706H, Snapback Fed Com Well No. 707H and Snapback Fed Com Well No. 708H** will remain within the 100-foot spacing requirement mandated by the Statewide rules for oil wells. Also to be considered will be the timing of the drilling and completion of said wells, the cost of drilling and completion of said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles west of Jal, New Mexico.

69. Case No. 16448: (Continued from the October 18, 2018 Examiner Hearing.)

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.

70. Case No. 16344: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Novo Oil & Gas, LLC for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 9, Township 23 South, Range 28 East, Eddy County, New Mexico. Applicant proposes to dedicate the above-referenced lands to a standard horizontal spacing and proration unit for the **Goonch Fed Com 9 23S 28E 2B 1H well** which will be horizontally drilled in the 2nd Bone Spring from a surface location and first take-point location in the SW/4 SW/4 of Section 9, Township 23 South, Range 28 East, to a bottom hole location in the NW/4 NW/4 of Section 9, Township 23 South, Range 28 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 2 miles North of Loving, New Mexico.

71. Case No. 16345: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Novo Oil & Gas, LLC for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying the W/2 of Section 9, Township 23 South, Range 28 East, Eddy County, New Mexico. Applicant proposes to dedicate the above-referenced lands to a standard horizontal spacing and proration unit for two proposed initial wells: (1)) the **Goonch Fed Com 9 23S 28E WXY 1H well** which will be horizontally drilled to test the Wolfcamp XY formation from a surface location and first take-point in the SW/4 SW/4 of Section 9, Township 23 South, Range 28 East, to a bottom hole location in the NW/4 NW/4 of Section 9, Township 23 South, Range 28 East; and (2) the **Goonch Fed Com 9 23S 28E WB 1H well** which will be horizontally drilled to test the Wolfcamp B formation from a surface location and first take-point in the SW/4 SW/4 of Section 9, Township 23 South, Range 28 East, to a bottom hole location in the NW/4 NW/4 of Section 9, Township 23 South, Range 29 East. The completed interval for each well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage Pool. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 2 miles North of Loving, New Mexico.

72. Case No. 16284: (Continued from the October 4, 2018 Examiner Hearing.)

Amended Application of Novo Oil & Gas Northern Delaware, LLC, a wholly owned subsidiary of Novo Oil & Gas, LLC, for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying Lot 1 (NE/4 NE/4), SE/4 NE/4 and E/2 SE/4 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico. This 160.36 acre standard horizontal spacing and proration unit is to be dedicated to the applicant's **Rana Salada Fed Com 5 23S 29E 2B #1H well** which will be horizontally drilled from a surface location in the NE/4 NE/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the SE/4 SE/4 of Section 5, Township 23 South, Range 29 East. The producing interval will be orthodox. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico.

73. Case No. 16231: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 9, Township 23 South, Range 28 East, NMPM (Purple Sage-Wolfcamp Gas Pool), to form a

standard 318.94-acre gas spacing and proration unit. The unit will be dedicated to the **Jack Sleeper 09-23S-28E RB Well No. 201H**, a horizontal well with a surface location in the SW/4 SW/4, and a bottomhole location in the NW/4 NW/4, of Section 9. The producing interval will be unorthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 2 miles north of Loving, New Mexico.

74. Case No. 16381: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Marathon Oil Permian LLC for a horizontal spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) creating a 1280-acre, more or less, spacing unit in covering Sections 7 and 8, Township 23 South, Range 27 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 unit will be the unit for the **Crossbow 23 27 8 WXY 2H, Crossbow 23 27 8 WA 4H, Crossbow Federal 23 27 8 WXY 9H, Crossbow Federal 23 27 8 WA 10H, Crossbow Federal 23 27 8 WXY 8H Crossbow Federal 23 27 8 WXY 14H, Crossbow Federal 23 27 8 WA 15H and Crossbow Federal 23 27 8 WA 16H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 8 miles southwest of Carlsbad, New Mexico.

75. Case No. 16414: (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 Section 19, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Duda Bides Federal 22-28-19 WXY 5H, Duda Bides Federal 22-28-19 WA 6H, and Duda Bides Federal 22-28-19 WXY 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately six (6) miles East South East of Carlsbad, New Mexico.

76. Case No. 16392: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2 E/2 of Section 16 and the W/2 SE/4 of Section 9, Township 20 South, Range 35 East, NMPM. The unit will be dedicated to the **Sand Chute 9/16 B2JO Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 NE/4 of Section 9, a first take point in the NW/4 SE/4 of Section 9, and a final take point in the SW/4 SE/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 12 miles west-southwest of Monument, New Mexico.

77. Case No. 16383: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Energen Resources Corporation for compulsory pooling, Lea County, New Mexico. Energen Resources Corporation seeks an order pooling all mineral interests in the Bone Spring formation

underlying a horizontal spacing unit comprised of the W/2 W/2 of Section 15 and the W/2 W/2 of Section 10, Township 24 South, Range 35 East, NMPM. The unit will be dedicated to the **Brahman State Com. 15-10 Com. Well No. 452H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 15, a first take point in the SW/4 SW/4 of Section 15, and a final take point in the NW/4 NW/4 of Section 10. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 12 miles northwest of Jal, New Mexico

78. Case No. 16384: (Continued from the October 4, 2018 Examiner Hearing.)

Application of Energen Resources Corporation for compulsory pooling, Lea County, New Mexico. Energen Resources Corporation seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 W/2 of Section 15 and the E/2 W/2 of Section 10, Township 24 South, Range 35 East, NMPM. The unit will be dedicated to the **Brahman State Com. 15-10 Com. Well No. 453H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 15, a first take point in the SE/4 SW/4 of Section 15, and a final take point in the NE/4 NW/4 of Section 10. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 12 miles northwest of Jal, New Mexico.

79. Case No. 16144: (Continued from the October 18, 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.

80. Case No. 16145: (Continued from the October 18, 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.

81. Case No. 16146: (Continued from the October 18, 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.

82. Case No. 16409: (Continued from the October 18, 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.

83. Case No. 16410: (Continued from the October 18, 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.

84. Case No. 16411: (Continued from the October 18, 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.

85. Case No. 16412: (Continued from the October 18, 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

86. Case No. 16415: (Continued from the October 18, 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.

87. Case No. 16416: (Continued from the October 18, 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.

88. Case No. 16417: (Continued from the October 18, 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.

89. Case No. 16354: (Continued from the October 18, 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.

90. Case No. 16355: *(Continued from the October 18, 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.