

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

FINAL AGENDA AND DOCKET
REGULAR MEETING
February 14, 2019
9:00 a.m.
Wendell Chino Building
Porter Hall
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

The Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with the Commission counsel under the client-attorney privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

The following items are for discussion and possible action:

1. Roll Call.
2. Approve the Agenda.
3. Approve minutes of January 17, 2019 Commission Meeting.

A request to continue the following case to March 12, 2019 has been filed.

4. **Case No. 15844 (De Novo)**: (Continued from the January 17, 2019 Commission Meeting,) ***Amended Application of XTO Energy Inc. for Approval of the Expansion of the James Ranch Unit, Eddy County, New Mexico.*** Applicant seeks approval to expand the geographic area of the James Ranch Unit by 13,223.68 acres of land. Said Unit currently consists of approximately 15,094.41 acres of Federal, Fee, and State Acreage in Eddy County, New Mexico. The total unit acreage will include 28,318.09 acres.
5. **Case No. 16446**: (Continued from the January 17, 2019 Commission Meeting.) ***Application of Salt Creek Midstream, LLC for Authorization to Inject Acid Gas into the Proposed Leavenworth AGI No. 1 well in Section 23, Township 26 South, Range 36 East, Lea County, New Mexico.*** Applicant Salt Creek Midstream, LLC seeks an order from the New Mexico Oil Conservation Division authorizing it to inject treated acid gas for disposal purposes at an approximate depth of 16,459 feet to 18,600 feet below the surface in the Devonian and Fusselman formations, potentially including the top of the Montoya formation, at a surface location approximately 973 feet from the South line and 1,836 feet from the East line (Unit O) of Section 23 in Township 26 South, Range 36 East, NMPM, Lea County. The proposed well will inject treated acid gas at a maximum rate of 60 MMSCFD and a maximum surface injection pressure of 2,830 psig. Said area is located approximately 6.5 miles southwest of Jal in Lea County, New Mexico.

Upon the application of Premier Oil & Gas, Inc., the following consolidated cases will be heard De Novo:

6. **Case No. 16115: Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a non-standard 640.31-acre, more or less, spacing and proration unit comprised of the E/2 of Section 6, Township 23 South, Range 26 East, NMPM and the E/2 of Section 31, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Ocotillo 6-31 State Com WCB No. 2H Well.**

7. **Case No. 16116: Application of Chisholm Energy Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a non-standard 320.18-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 6, Township 23 South, Range 26 East, NMPM and the E/2 E/2 of Section 31, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Ocotillo 6-31 State Com 3BS No. 4H Well.**

Upon the application of Pride Energy Company, the following consolidated Case Nos. 16099 – 16104 and 16169 -16174 will be heard De Novo.

An unopposed request to continue the following cases to March 12, 2019 has been filed.

8. **Case No.16099: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling and Down-Hole Commingling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 28-16 State Fed Com 232H well.**

9. **Case No. 16100: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and Down-Hole Commingling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 21-16 State Fed Com 234H well.**

10. **Case No. 16101: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and Down-Hole Commingling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 28-16 State Fed Com 236H well.**

11. **Case No. 16102: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 28-16 State Fed Com 712H well.**

12. **Case No. 16103: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration nit and Compulsory Pooling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 21-16 State Fed Com 714H well.**

13. **Case No. 16104: Application of Devon Energy Production Company, L.P., for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** The unit will be dedicated to Applicant's proposed **Marwari 28-16 State Fed Com 716H well.**

14. **Case No.16169: Application of Pride Energy Company, for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico;** dedicated to its **Paduca 16 State 501H well.**

15. ***Case No. 16170: Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico; dedicated to its Paduca 16 State 502H well.***
16. ***Case No. 16171: Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico; dedicated to its Paduca 16 State 503H well.***
17. ***Case No. 16172: Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico; dedicated to its Paduca 16 State 701H well.***
18. ***Case No. 16173: Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico; dedicated to its Paduca 16 State 702H well.***
19. ***Case No. 16174: Application of Pride Energy Company for compulsory pooling, non-standard spacing and proration unit, and unorthodox location, Lea County, New Mexico; dedicated to its Paduca 16 State 703H well.***
20. Pending litigation.
21. Other business.
22. Next meeting: March 12, 2019
23. Adjournment

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Florene Davidson at least ten days prior to the meeting or as soon as possible at (505) 476-3458 or florene.davidson@state.nm.us. Public documents can be provided in various accessible formats.