

DOCKET: SPECIAL EXAMINER HEARING – FRIDAY, JULY 12, 2019

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

OCD Rule Subsection B of 19.15.4.13 NMAC requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than four business days before the hearing and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business four days before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

1. Case No. 20324: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) underlying a horizontal spacing unit comprised of the N/2 of Section 35 and the N/2 of Section 36, Township 22 South, Range 27 East, NMPM. The unit will be dedicated to (a) the **K Grevey State Com. Well No. 35H**, a horizontal well with a first take point in the NE/4NE/4 of Section 36 and a final take point in the NW/4NW/4 of Section 35, and (b) the **K Grevey State Com. Well No. 202H**, a horizontal well with a first take point in the SE/4NE/4 of Section 36 and a final take point in the SW/4NW/4 of Section 35. 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 Matador Production Company as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is centered approximately 1 mile east of Otis, New Mexico.

2. Case No. 20450 (amended): Application of WPX Energy Permian, 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 (Pool Code 98220), underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 34 and 35, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed **Beagle 35-34-22-27 Fee 401H** well to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 36 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 34. The completed interval for the proposed well will comply with the setback requirements imposed by the Special Rules for the Purple Sage Wolfcamp Gas Pool. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 5 miles southeast of Carlsbad, New Mexico.

3. Case No. 20451: Application of WPX Energy Permian, 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 (Pool Code 98220), underlying a 640-acre, more or less, standard horizontal spacing unit comprised of N/2 of Sections 34 and 35, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed **Collie 35-34-22-27 Fee 401H** well to be drilled from a surface hole location in NW/4 SW/4 (Unit L) of Section 36 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 34. The completed interval for the proposed well will comply with the setback requirements imposed by the Special Rules for the Purple Sage Wolfcamp Gas Pool. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200%

charge for risk involved in drilling and completing each well. Said area is located approximately 5 miles southeast of Carlsbad, New Mexico.

4. Case No. 20492: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) underlying a horizontal spacing unit comprised of the S/2 of Section 35 and the S/2 of Section 36, Township 22 South, Range 27 East, NMPM. The unit will be dedicated to the **K Grevey State Com. Well No. 203H**, a horizontal well with a first take point in the NE/4SE/4 of Section 36 and a final take point in the NW/4SW/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 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 centered approximately 1 mile east of Otis, New Mexico.

5. Case No. 20463: Application of Blackbuck Resources, LLC for approval of a salt water disposal well in Lea County, New Mexico. Applicant seeks an order for a salt water disposal well in its **Olive Branch SWD Fed 1**, to be drilled at a location 979 FSL and 2,620 FEL, Unit N, Section 17, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico for injection into the Devonian-Silurian formations at depths between 16,825' through 18,290' open hole. The well will be located approximately 22 miles east of Malaga, New Mexico.

6. Case No. 20465: Application of Solaris Water Midstream, LLC for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water at depths of 16965 - 18149 feet subsurface into the proposed **Predator Fed. 17 SWD Well No. 1**, located 1465 feet from the north line and 1893 feet from the east line of Section 17, Township 24 South, Range 32 East, NMPM. The well is located approximately 23-1/2 miles south of Halfway, New Mexico.