

DOCKET: OIL CONSERVATION DIVISION HEARINGS**Tuesday, August 12, 2025 @ 1:30 p.m. and Wednesday, August 13, 2025 @ 9:00 a.m.****1220 South St. Francis, Santa Fe, New Mexico 87505****and via MS Teams (login information below)****Virtual Attendance:**Click [HERE](#) to be connected to the meeting.**Dial-in by phone:**

(505) 312-4308

Phone conference ID: 763 417 723#

Pre-hearing statements shall be filed no later than 4 business days before the hearing and in addition to the requirements of 19.15.4.13.B(1) NMAC, shall include the following: all evidentiary exhibits, documents, affidavits, and full-written testimony of any witness a party offers at the hearing. Exhibits must be sequentially marked on every page. Failure to file a complete pre-hearing statement on time may cause the Hearing Examiner to continue the hearing and/or impose sanctions up to and including the exclusion of late-filed evidence. Evidentiary objections must be filed no later than 48 hours before the hearing. Rulings on the objections will be addressed as a preliminary matter when the case is called. All witnesses filing direct testimony shall attend the hearing and may be subject to cross-examination by Counsel and the Division's Examiners.

NOTICE: The hearing examiner may call the following cases in any order at their discretion.

	Case Number	Description
1.	25222	<p>Application of Oxy USA Inc. for Approval of Injection Authority for the Mesa Verde Bone Spring Resource Development Unit for Enhanced Oil Recovery, Eddy and Lea Counties, New Mexico. Applicant seeks an order authorizing the injection of water, produced gas and carbon dioxide for purposes of enhanced oil recovery ("EOR") within the Unitized Interval of the Mesa Verde Bone Spring Resource Development Unit area. The Project Area is comprised of the following federal and state lands in Eddy and Lea County, New Mexico:</p> <p>TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. Section 13: ALL</p> <p>TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M. Section 7: SE/4, E/2 of NE/4 Section 8: ALL Section 9: W/2 Section 16: W/2 Section 17: ALL Section 18: ALL</p> <p>The unitized interval consists of the Bone Spring formation as identified by the Gamma Ray log run in the Heavy Metal 14 Federal 1 well (API: 30-015-29603) located in the NE/4 of SE/4 of Section 14, Township 24 South, Range 31 East, Eddy County, New Mexico, with the top of the unitized interval being found at a depth of 8,445 feet below the surface and the base of the unitized interval being found at a depth of 11,830 feet below the surface. The Unit has twenty-nine (29) active horizontal wells completed in the Bone Spring formation. Oxy seeks to convert fifteen (15) of these producing horizontal wells into injection wells to implement a "huff and puff" enhanced oil recovery project. Oxy requests authorization for injection to occur within two (2) years of approval. Oxy seeks approval to inject produced gas, water, and carbon dioxide within the Unitized Interval at up to the following maximum surface injection pressures in the respective Bone Spring zones of the Avalon, First Bone Spring Sand ("1BSS"), Second Bone Spring Sand ("2BSS"), Third Bone Spring Sand ("3BSS"), and Third Bone Spring Lime ("3BSL"):</p> <p>Maximum Surface Injection Pressure (psi) Zone Hydrocarbon Gas Water CO2</p>

		<p>Avalon 4,510 1,813 2,490 1BSS 4,810 1,949 2,630 2BSS 4,980 2,022 2,700 3BSS & 3BSL 5,700 2,361 3,080 Oxy seeks authority to inject at the following maximum and average rates: Injectant Maximum Rate Average Rate Hydrocarbon Gas 50 MMSCFPD 22 MMSCFPD Water 10,000 bwpd 5,000 bwpd CO2 50 MMSCFPD 22 MMSCFPD</p> <p>The Mesa Verde Bone Spring Resource Development Unit is approximately 5 miles west of Jal, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25225</p>
2.	25225	<p>Application of Oxy USA Inc. for Approval of Injection Authority for the Mesa Verde Wolfcamp Resource Development Unit for Enhanced Oil Recovery, Eddy and Lea Counties, New Mexico. Applicant seeks an order authorizing the injection of water, produced gas and carbon dioxide for purposes of enhanced oil recovery ("EOR") within the Unitized Interval of the Mesa Verde Wolfcamp Resource Development Unit area. The Project Area is comprised of the following federal and state lands in Eddy and Lea County, New Mexico:</p> <p>TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. Section 13: ALL</p> <p>TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M. Section 7: SE/4, E/2 of NE/4 Section 8: ALL Section 9: W/2 Section 16: W/2 Section 17: ALL Section 18: ALL</p> <p>The unitized interval consists of the Wolfcamp formation as identified by the Gamma Ray log run in the Jack Tank 8 Federal 2 well (API: 30-025-32192) located in the SW/4 of NE/4 of Section 8, Township 24 South, Range 32 East, Lea County, New Mexico, with the top of the unitized interval being found at a depth of 11,882 feet below the surface and the base of the unitized interval being found at a depth of 13,400 feet below the surface. The Unit has twenty-one (21) active horizontal wells completed in the Wolfcamp formation. Oxy seeks to convert fifteen (15) of these producing horizontal wells into injection wells to implement a "huff and puff" enhanced oil recovery project. Oxy requests authorization for injection to occur within two (2) years of approval. Oxy requests authority to inject produced gas, water, and carbon dioxide within the Unitized Interval up to the following maximum surface injection pressures in the respective Wolfcamp zones of the Wolfcamp XYA ("WCXYA") and Wolfcamp B/C ("WCB/C"):</p> <p>Maximum Surface Injection Pressure (psi) Zone Hydrocarbon Gas Water CO2 WCXYA 5,700 2,361 3,080 WCB/C 6,190 2,570 3,340 Oxy seeks authority to inject at the following maximum and average rates: Injectant Maximum Rate Average Rate Hydrocarbon Gas 50 MMSCFPD 22 MMSCFPD Water 10,000 bwpd 5,000 bwpd CO2 50 MMSCFPD 22 MMSCFPD</p> <p>The Mesa Verde Wolfcamp Resource Development Unit is approximately 5 miles west of Jal, New Mexico.</p> <p>Setting: Hearing by Affidavit Joined with Cases: 25222</p>

3.	25241	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 26 and 35, all in Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the George Mitchell 26/35 State Com 526H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 26 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 35, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 16 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25242, 25243, 25244, 25245, 25246, 25520, 25521, 25522, 25523, 25524, 25525</p>
4.	25242	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 26 and 35, all in Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the George Mitchell 26/35 State Com 528H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 26 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 35, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 16 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25243, 25244, 25245, 25246, 25520, 25521, 25522, 25523, 25524, 25525</p>
5.	25243	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 400-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the W/2 NW/4 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the Shepard 25/1 State Com 521H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25244, 25245, 25246, 25520, 25521, 25522, 25523, 25524, 25525</p>

6.	25244	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the E/2 W/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the Shepard 25/1 State Com 523H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25245, 25246, 25520, 25521, 25522, 25523, 25524, 25525</p>
7.	25245	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the W/2 E/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the Shepard 25/1 State Com 526H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25246, 25520, 25521, 25522, 25523, 25524, 25525</p>
8.	25246	<p>Application of Rockwood Energy, LP, for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the E/2 E/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well to be dedicated to the horizontal spacing unit is the Shepard 25/1 State Com 528H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed well will be orthodox in location, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25520, 25521, 25522, 25523, 25524,</p>

25525

The following cases were noticed for August 13, 2025:

9.	25520	<p>Application of Coterra Energy Operating Co. for compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2W/2 of Sections 25 and 36, Township 18 South, Range 35 East and the W/2W/2 of Sections 1 and 12, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Sombrero State Com #221H well, with a proposed surface hole location in the SW/4 of Section 12, Township 19 South, Range 35 East, and a proposed bottom hole location in the NW/4 NW/4 (Unit D) of Section 25, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing unit dedicated to the Blue Box Federal Com 505H well, API no. 30-025-52080, which unit is comprised of the W/2SW/4 of Section 2 and the W/2W/2 of Sections 12 and 13, Township 19 South, Range 35 East. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25521, 25522, 25523, 25524, 25525</p>
10.	25521	<p>Application of Coterra Energy Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2W/2 of Sections 25 and 36, Township 18 South, Range 35 East and the E/2W/2 of Sections 1 and 12, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Sombrero State Com #222H well, with a proposed surface hole location in the SW/4 of Section 12, Township 19 South, Range 35 East, and a proposed bottom hole location in the NE/4 NW/4 (Unit C) of Section 25, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25520, 25522, 25523, 25524, 25525</p>
11.	25522	<p>Application of Coterra Energy Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2E/2 of Sections 25 and 36, Township 18 South, Range 35 East and the W/2E/2 of Sections 1 and 12, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Sombrero State Com #223H well, with a proposed surface hole location in the SE/4 of Section 12, Township 19</p>

		<p>South, Range 35 East, and a proposed bottom hole location in the NW/4 NE/4 (Unit B) of Section 25, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25520, 25521, 25523, 25524, 25525</p>
13.	25523	<p>Application of Coterra Energy Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2E/2 of Sections 25 and 36, Township 18 South, Range 35 East and the E/2E/2 of Sections 1 and 12, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Sombrero State Com #224H well, with a proposed surface hole location in the SE/4 of Section 12, Township 19 South, Range 35 East, and a proposed bottom hole location in the NE/4 NE/4 (Unit A) of Section 25, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25520, 25521, 25522, 25524, 25525</p>
14.	25524	<p>Application of Coterra Energy Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2E/2 of Sections 26 and 35, Township 18 South, Range 35 East and the W/2E/2 of Sections 2 and 11, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Yeti State Com #223H well, with a proposed surface hole location in the SE/4 of Section 11, Township 19 South, Range 35 East, and a proposed bottom hole location in the NW/4 NE/4 (Unit B) of Section 26, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles West of Hobbs, New Mexico.</p> <p>Setting: Contested Hearing Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25520, 25521, 25522, 25523, 25525</p>
15.	25525	<p>Application of Coterra Energy Operating Co. for compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2E/2 of Sections 26 and 35, Township 18 South, Range 35 East and the E/2E/2 of</p>

Sections 2 and 11, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Yeti State Com #224H well, with a proposed surface hole location in the SE/4 of Section 11, Township 19 South, Range 35 East, and a proposed bottom hole location in the NE/4 NE/4 (Unit A) of Section 26, Township 18 South, Range 36 East. The well will be drilled at orthodox locations. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing unit dedicated to the Blue Box Federal Com 505H well, API no. 30-025-52080, which unit is comprised of the E/2SE/4 of Section 2 and the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East and the W/2SW/4 of Section 1 and the W/2W/2 of Sections 12 and 13, Township 19 South, Range 35 East. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Coterra Energy Operating Co. as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles West of Hobbs, New Mexico.

Setting: Contested Hearing

Joined with Cases: 25241, 25242, 25243, 25244, 25245, 25246, 25520, 25521, 25522, 25523, 25524