

AMENDED DOCKET: EXAMINER HEARING – THURSDAY – MAY 17, 2018

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

Docket Nos. 21-18 and 22-18 are tentatively set for May 31, 2018 and June 14, 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; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 16002 – No. 5
Case 16013 – No. 30
Case 16024 – No. 40
Case 16042 – No. 34
Case 16047 – No. 35
Case 16048 – No. 36
Case 16075 – No. 37
Case 16076 – No. 41
Case 16077 – No. 42
Case 16088 – No. 16
Case 16089 – No. 17
Case 16105 – No. 43
Case 16113 – No. 44
Case 16114 – No. 45
Case 16132 – No. 1
Case 16133 – No. 2
Case 16134 – No. 3
Case 16135 – No. 6
Case 16136 – No. 7
Case 16137 – No. 8
Case 16138 – No. 9
Case 16139 – No. 10
Case 16140 – No. 11
Case 16141 – No. 12
Case 16142 – No. 13
Case 16143 – No. 14
Case 16144 – No. 15
Case 16145 – No. 18
Case 16146 – No. 19
Case 16147 – No. 20
Case 16148 – No. 21
Case 16149 – No. 22
Case 16150 – No. 23
Case 16151 – No. 24
Case 16152 – No. 25
Case 16153 – No. 26
Case 16154 – No. 27
Case 16155 – No. 28
Case 16156 – No. 29
Case 16157 – No. 31
Case 16158 – No. 32
Case 16159 – No. 33
Case 16160 – No. 4
Case 16161 – No. 38
Case 16162 – No. 39

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.

24. *Case No. 16151: 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.

25. *Case No. 16152: Application of Chevron U.S.A. Inc. for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Applicant in the above-styled cause seeks an order (1) creating a non-standard, 640-acre spacing and proration unit comprised of the W/2 of Section 15, Township 23 South, Range 28 East, and the W/2 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's three proposed wells: the **CB SO 15 22 004 1H Well**, the proposed **CB SO 15 22 004 2H Well**, and the **CB SO 15 22 004 3H Well**, which will be simultaneously drilled and completed. The three proposed horizontal wells will be pad drilled from a surface location in the NW/4 SW/4 (Unit D) of Section 15 to a bottom hole locations in the SW/4 SW/4 (Unit M) of Section 22 for the **CB SO 15 22 004 1H Well** and the **CB SO 15 22 004 2H Well** and in the SE/4 SW/4 (Unit N) of Section 22 for the **CB SO 15 22 004 3H Well**. The completed interval for each well will be at a standard 330 foot offset pursuant to the Special Rules for the Purple Sage Wolfcamp Gas Pool (Pool Code 98220). Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Chevron U.S.A. Inc. as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 2 miles east of Loving, New Mexico.

26. *Case No. 16153: Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico.* Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico, to permit it to complete and simultaneously produce five Mesaverde gas wells in the same standard spacing and proration unit, and three wells within the same quarter section. Hilcorp further seeks approval for the proposed location of the **San Juan 28-6 Unit 120** (API No. 30-039-82242) in the Mesaverde formation with a surface location in Unit I of the S/2 of Section 9, Township 28 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, and authorization to simultaneously complete and produce the San Juan 28-6 Unit 120 Well from the Blanco-Mesaverde Gas Pool. Said area is located approximately 35 miles east of Bloomfield, NM.

27. *Case No. 16154: AMENDED Application of Hilcorp Energy Company for an Exception to the Well Density Requirements of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico.* Applicant in the above-styled cause seeks an order for an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool (72319), Rio Arriba County, New Mexico, to permit it to complete and simultaneously produce four Mesaverde gas wells in the same standard spacing