

DOCKET: EXAMINER HEARING - THURSDAY – JUNE 27, 2013

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 23-13 and 24-13 are tentatively set for July 11, 2013 and July 25, 2013. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B 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 14984 – No. 2******Case 14991 – No. 4******Case 14995 – No. 9******Case 14996 – No. 10******Case 14997 – No. 11******Case 14998 – No. 7******Case 15006 – No. 1******Case 15007 – No. 3******Case 15008 – No. 5******Case 15009 – No. 6******Case 15010 – No. 8***

1. ***CASE 15006: Application of OXY USA 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, 160 acre spacing and proration unit comprised of the S/2 S/2 of Section 26, Township 23 South, Range 30 East, NMPM, Eddy County, and (2) pooling all mineral interests in the Lower Bushy Canyon formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed FNR 26 Federal #4H (API Well No. 30-015-41012) to be horizontally drilled from a surface location, 690 feet from the South line and 373 feet from the West line to a bottom hole location 690 feet from the South line and 330 feet from the East line of Section 26. The completed interval for this well will be within the 330-foot standard offset required by the 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 OXY USA Inc. as operator of the well and 200% charge for risk involved in drilling said well. Said area is located approximately 29 miles southeast of Carlsbad, New Mexico.
2. ***CASE 14984: (Continued from the June 13, 2013 Examiner Hearing.)***
Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 4, Township 20 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the NE/4 SE/4 of Section 4 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2 S/2 of Section 4 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Burton 4 IL Fed. Com. Well No. 1H, a horizontal well with a surface location in the NE/4SE/4, and a terminus in the NW/4 SW/4, of Section 4. 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 units are located approximately 15 miles east-southeast of Lakewood, New Mexico.