

DOCKET: EXAMINER HEARING - THURSDAY – JULY 25, 2013

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

Santa Fe, New Mexico

Docket Nos. 26-13 and 27-13 are tentatively set for August 8, 2013 and August 22, 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 14998 – No. 9
Case 14999 – No. 10
Case 15000 – No. 11
Case 15001 – No. 12
Case 15002 – No. 13
Case 15003 – No. 14
Case 15004 – No. 15
Case 15005 – No. 16
Case 15010 – No. 17
Case 15022 – No. 2
Case 15026 – No. 1
Case 15027 – No. 3
Case 15028 – No. 4
Case 15029 – No. 5
Case 15030 – No. 6
Case 15031 – No. 7
Case 15032 – No. 8

1. ***CASE 15026: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea 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 W/2 W/2 of Section 9, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 9, for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Salado Draw 9 DM Fed. Com. Well No. 1, a horizontal well with a surface location in the NW/4 NW/4, and a terminus in the SW/4 SW/4, of Section-9. 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 unit is located approximately 23-1/2 miles west of Bennett, New Mexico.
2. ***CASE 15022: (Continued from the July 11, 2013 Examiner Hearing.)***
Application of RSC Resources Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 15, Township 24 South, Range 28 East, NMPM, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the SW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Ana Com. Well No. 1, to be re-entered at an orthodox location in the SW/4 NE/4 of Section 15. Also to be

considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Guardian Operating Corp. as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. The units are located approximately 1/4 mile south of Malaga, New Mexico.

3. **CASE 15027: Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the N/2 N/2 of Section 9, Township 17 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the N/2 N/2 of Section 9 to be dedicated to its Sneed 9 Federal Com No. 1-H Well to be drilled horizontally from a surface location in the NW/4 NW/4 to a standard bottom hole location NE/4 NE/4 of Section 9 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 2 miles south of Maljamar, New Mexico.
4. **CASE 15028: Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 9, Township 17 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the S/2 N/2 of Section 9 to be dedicated to its Sneed 9 Federal Com No. 3-H Well to be drilled horizontally from a surface location in the SW/4 NW/4 to a standard bottom hole location SE/4 NE/4 of Section 9 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 2 miles south of Maljamar, New Mexico.
5. **CASE 15029: Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the E/2 E/2 of Section 11 and the NE/4 NE/4 of Section 14, Township 17 South Range 32 East, NMPM and designating the consolidated units as a 200-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the E/2 E/2 of Section 11 and the NE/4 NE/4 of Section 14 to be dedicated to its Flat Head Fed Com No. 8-H Well to be drilled horizontally from a surface location in the NE/4 NE/4 of Section 11 to a standard bottom hole location NE/4 NE/4 of Section 14 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 2.5 miles southeast of Maljamar, New Mexico.
6. **CASE 15030: Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the E/2 W/2 of Section 11 and the NE/4 NW/4 of Section 14, Township 17 South Range 32 East, NMPM and designating the consolidated units as a 200-acre± non-standard oil spacing and proration unit for a well location in the Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Yeso formation underlying the E/2 W/2 of Section 11 and the NE/4 NW/4 of Section 14 to be dedicated to its Pan Head Fee No. 4-H Well to be drilled horizontally from a surface location in the NE/4 NW/4 of Section 11 to a standard bottom hole location NE/4 NW/4 of Section 14 to a depth sufficient to test the Yeso formation, West Maljamar Yeso Pool (44500). Also to be considered will be