

**DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 20, 2015**

8:15 A.M. - 1220 South St. Francis  
Santa Fe, New Mexico

Docket Nos. 25-15 and 26-15 are tentatively set for September 3, 2015 and September 17, 2015. Applications for hearing must be filed at least 30 days in advance of 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 15245 - No. 2  
Case 15319 - No. 16  
Case 15322 - No. 15  
Case 15324 - No. 4  
Case 15325 - No. 13  
Case 15326 - No. 14  
Case 15344 - No. 10  
Case 15345 - No. 11  
Case 15348 - No. 12  
Case 15358 - No. 1  
Case 15359 - No. 3  
Case 15360 - No. 5  
Case 15361 - No. 6  
Case 15362 - No. 7  
Case 15363 - No. 8  
Case 15364 - No. 9

1. **Case No. 15358:** *Application of BC Operating, Inc. for Authorization to Inject, Eddy County, New Mexico.* Applicant seeks an order authorizing the injection of water for disposal into the Cherry Canyon member of the Delaware Mountain Group formation, Cherry Canyon SWD Pool (97003) in the following well:

**Black River 15 State SWD No. 1**  
2,334' FSL & 1,914' FWL (Unit K)  
Section 15  
T-24-S, R-27-E, NMPM  
Eddy County, New Mexico

Applicant proposes to drill the well at the above location and utilize it for injection of produced water at depths of 3,115' to 4,290' subsurface. The well is located approximately 6 miles West of Malaga, New Mexico.

2. **Case No. 15245 (re-opened):** *Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.* Applicant seeks an order from the Division pooling all mineral interests in the Wolfcamp formation underlying a standard spacing and proration unit comprised of the S/2 of Section 12, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico for the **Tom Walters 12-23-27E RB Well No. 203H** well, to be horizontally drilled. The producing area for this well will be unorthodox, located less than 330 feet from the project area boundary. 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 Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. The Tom Walters 12-23-27E RB Well No. 203H well is located approximately 3 miles northwest of Loving, New Mexico.

3. **Case No. 15359:** *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 a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 9, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 9 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Antelope 9 B3PA State Well No. 1H**, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the NE/4 NE/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 17 miles southwest of Oil Center, New Mexico.

4. **Case No. 15324:** (Continued from the July 23, 2015 Examiner Hearing.)

**Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Devon Energy Production Company, L.P. seeks an order approving a 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 20, Township 17 South, Range 38 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Schankbeir 20 Well No. 1H**, a horizontal well with a surface location 160 feet from the south line and 1105 feet from the west line, and a terminus 330 feet from the north line and 660 feet from the west line, of Section 20. The producing interval will be orthodox. 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 6 miles west-southwest of Knowles, New Mexico.

5. **Case No. 15360:** **Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Devon Energy Production Company, L.P. seeks an order approving a 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 11, Township 21 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit, for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Cedar 11 State Well No. 1H**, a horizontal well to be drilled from a surface location in the NW/4 SW/4, to a terminus in the NE/4 SE/4, of Section 11. 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 6-1/2 miles north-northeast of Carlsbad, New Mexico.

6. **Case No. 15361:** **Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Devon Energy Production Company, L.P. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 13, Township 25 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit, for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Tranquil 13 State Com. Well No. 2H**, a horizontal well to be drilled from a surface location in the SW/4 SE/4, to a terminus in the NW/4 NE/4, of Section 13. 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 2-1/2 miles northwest of Loving, New Mexico.

7. **Case No. 15362:** **Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 N/2 of Section 25, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Paul 25-24S-28E RB Well No. 121H**, a horizontal well with a surface location in the NW/4 NW/4, and a terminus in the NE/4 NE/4, of Section 25. 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 8-1/2 miles south-southeast of Malaga, New Mexico.

8. **Case No. 15363:** **Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order approving a 154.28-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lots 1-4 (the W/2 W/2) of Section 31, Township 18 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Airstrip 31 18 35 RN State Com. Well No. 201H**, a horizontal well with a surface location in Lot 4, and a terminus in Lot 1, of Section 31. 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 15 miles west-northwest of Monument, New Mexico.