

**DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 3, 2015**

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

Docket Nos. 26-15 and 27-15 are tentatively set for September 17, 2015 and October 1, 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 15280 - No. 6*  
*Case 15322 - No. 9*  
*Case 15358 - No. 1*  
*Case 15362 - No. 7*  
*Case 15363 - No. 8*  
*Case 15366 - No. 2*  
*Case 15367 - No. 3*  
*Case 15368 - No. 4*  
*Case 15369 - No. 5*

**1. Case No. 15358: (Continued from the August 20, 2015 Examiner Hearing.)**

***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. 15366: *Application of Matador Production Company for a non-standard spacing and proration unit, compulsory pooling, and a non-standard location, Lea County, New Mexico.*** Applicant seeks an order from the Division: (1) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the W/2 E/2 of Section 16, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico; (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit; and (3) approving a non-standard location. This proposed non-standard spacing and proration unit will be the project area for the **Cimarron State 16-19S-34E RN #133H 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 Cimarron State 16-19S-34E RN #133H well is located approximately 25 miles east of Hobbs, New Mexico.

**3. Case No. 15367: *Application Of Encana Oil & Gas (USA) Inc. For Approval Of The North Alamito Unit, Creation Of A New Pool For Horizontal Development Within The Unit Area, And For Allowance Of 330 Foot Setbacks From The Exterior Of The Proposed Unit, San Juan and Sandoval Counties, New Mexico.*** Applicant seeks approval of its North Alamito Unit consisting of 13,140.38 acres, more or less, of Federal, State, and Indian Allotted lands situated in all or parts of Sections 19-23 and 25-35 of Township 23 North, Range 7 West, all of Sections 25 and 36, Township 23 North, Range 8 West, N.M.P.M., San Juan County, and all or parts of Sections 3-8 of Township 22 North, Range 7 West, N.M.P.M., Sandoval County, New Mexico. The unitized interval is 100 feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone as shown in the Lybrook H36-2307 01H (API No. 30-043-21117) in Section 36, Township 23 North, Range 7 West, N.M.P.M., Sandoval County, New Mexico. In addition, Applicant seeks an order creating a new pool for the unitized interval underlying the proposed Unit Area that will allow for 330 foot setbacks from the exterior of the proposed Unit. The subject acreage is located approximately one mile South of Lybrook, New Mexico.