

Examiner Hearing – November 12, 2015

Docket No. 34-15

Page 2 of 4

4. ***Case No. 15402: Application of COG Operating LLC 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, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 29, Township 25 South, Range 27 East, NMPM, Eddy County and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Populus Federal No. 3H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 20 to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 29. The completed interval for this well will remain 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles southwest of Malaga, NM.

5. ***Case No. 15403: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 30, Township 19 South, Range 32 East, NMPM, Lea County and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **SL East 30 Federal Com No. 2H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 19 to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 30. The completed interval for this well will remain 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Loco Hills, NM.

6. ***Case No. 15362: (Continued from the October 1, 2015 Examiner Hearing.)***
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.

7. ***Case No. 15372: (Continued from the October 15, 2015 Examiner Hearing.)***
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 Wolfcamp 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 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 will be dedicated to the **Paul 25-24S-28E RB Well No. 221H**, 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. 15404: Application of Burnett Oil Co., Inc. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Burnett Oil Co., Inc. seeks an order approving a 120-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation (Fren Glorieta-Yeso Pool) comprised of the NW/4 NE/4 and N/2 NW/4 of Section 12, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the NW/4 NE/4 and N/2 NW/4 of Section 12 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Nosler 12 Fed. DB Well No. 4H**, a horizontal well with a surface location in the NE/4 NE/4 of adjoining Section 11, a first take point at an orthodox location in the NW/4 NW/4 of Section 12, and a terminus at an orthodox location in the NW/4 NE/4 of Section 12. 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 9-1/2 miles east-northeast of Loco Hills, New Mexico.

9. ***Case No. 15405: Application of Burnett Oil Co., Inc. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Burnett Oil Co., Inc. seeks an order approving a 120-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation (Fren Glorieta-Yeso Pool) comprised of the SW/4 NE/4 and S/2 NW/4 of Section 12, Township 17 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso