

or less, spacing and proration unit comprised of the S/2 S/2 of Section 27, Township 17 South, Range 28 East, NMPM, Eddy County and (2) pooling all mineral interests in the Yeso formation from the top of the Yeso to a depth of 4,000 feet underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Halberd 27 State Com No. 1H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 26 to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. 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 15 miles east of Artesia, New Mexico.

**10. Case No. 15497: Application Of ConocoPhillips Company to Make Permanent the Authority Granted Under Administrative Order WFX-945 To Inject Water, Carbon Dioxide And Produced Gas For Enhanced Oil Recovery Within The East Vacuum Grayburg-San Andres Unit; To Amend The Special Rules Enacted Under Order R-5897 Governing Enhanced Oil Recovery Operations Within The Unit; To Allow Administrative Approval Of Additional Injection Wells Within The Unit Without Further Notice And Hearing; And To Clarify The Surface Injection Pressures And Injection Authority Previously Authorized By The Division, Lea County, New Mexico.** Applicant seeks the following relief for the enhanced oil recovery operations within its East Vacuum Grayburg-San Andres Unit ("the Unit"):

(a) to make permanent the authority granted under Administrative Order WFX-945 to use water-alternating-gas (WAG) injection utilizing water, carbon dioxide and produced gas in the twelve wells identified in the Order;

(b) to modify the Special Rules adopted under Division Order R-5897 governing the enhance oil recovery operations within the Unit as follows:

i. to eliminate the project area allowable and associated requirements set forth in Rules 2, 3, 4, 6, 7, 15 and 16;

ii. to eliminate the annual determination and submission of a "weighted average project area reservoir pressure" as set forth in Rule 5;

iii. to eliminate the requirement in Rule 8 that wells remain at least 10 feet from any quarter-quarter section line or subdivision inner boundary within the Unit; and

iv. to modify Rule 12 and subsequent Division administrative orders as necessary to reflect that the maximum surface injection pressures for injection wells within the Unit are as follows:

1350 psi for water;

1850 psi for carbon dioxide; and

1850 psi for produced gas.

(c) to grant an exception to the requirements in NMAC 19.15.26.8.C and 19.15.26.8.F to allow for administrative approval of additional injection wells for water, carbon dioxide and produced gas within the Unit without further notice and hearing;

(d) to confirm that the well limitation for quarter-quarter sections set forth in NMAC 19.15.15.9(A) does not apply to the enhance oil recovery operations within the Unit; and

(e) to modify Administrative Order WFX-887 to reflect approval of the injection of water, carbon dioxide and produced gas.

The Unit includes all or a portion of the acreage in Section 24 in Township 17 South, Range 34 East; Sections 18-29 and 31-35 in Township 17 South, Range 35 East; and Sections 4 and 5 in Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. This Application has been set for hearing before the Oil Conservation Division on May 26, 2016. Any further information about this Application can be obtained from the following ConocoPhillips representative: Susan B. Maunder, Susan.B.Maunder@conocophillips.com, Post Office Box 51810, Midland, Texas 79710-1810, (281) 206-5281.

**11. Case No. 15448: (Continued from the April 28, 2016 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 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 28, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2 S/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Frio 28 B2LI Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NW/4 SW/4, and a terminus in the NE/4 SE/4, of Section 28. 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 miles southwest of Loco Hills, New Mexico.

**12. Case No. 15449: (Continued from the April 28, 2016 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 a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 S/2 of Section 28, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 S/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Frio 28 B2MP Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the SE/4 SE/4, of Section 28. 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

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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 southwest of Loco Hills, New Mexico.

**13. Case No. 15483: (Continued from the April 28, 2016 Examiner Hearing. This case will be dismissed.)**

**Application of Guardian Operating Corporation 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:

**Kirkes SWD Well No. 1**

2,080' FSL & 1,773' FEL (Unit J)

Section 10

T-24-S, R-28-E, NMPM

Eddy County, New Mexico

Applicant proposes to convert the well at the above location and utilize it for injection of produced water at depths of 3,800' to 4,600' subsurface. The well is located approximately one-half mile North of Malaga, New Mexico.

**14. Case No. 15452: (Continued from the May 12, 2016 Examiner Hearing.)**

**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 Wolfcamp formation comprised of the E/2 W/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the E/2 W/2 of Section 15 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pepper Ridge 15 W1CN Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 15. 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 21 miles west of Bennett, New Mexico.

**15. Case No. 15453: (Continued from the May 12, 2016 Examiner Hearing.)**

**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 W/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 W/2 of Section 15 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pepper Ridge 15 B2CN Fed. Com. Well No. 3H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 15. 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 21 miles west of Bennett, New Mexico.

**16. Case No. 15454: (Continued from the May 12, 2016 Examiner Hearing.)**

**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 W/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 W/2 of Section 15 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pepper Ridge 15 A3CN Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 15. 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 21 miles west of Bennett, New Mexico.

**17. Case No. 15455: (Continued from the May 12, 2016 Examiner Hearing.)**

**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 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 15 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pepper Ridge 15 B2AP Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 15. 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 20-1/2 miles west of Bennett, New Mexico.