Examiner Hearing – May 26, 2016 Docket No. 21-16 Page 4 of 4

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. <u>Case No. 15453</u>: (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.