## Examiner Hearing – March 30, 2017 Docket No. 12-17 Page 4 of 10

considered will be the designation of applicant as operator of the well. The unit is located approximately 2-1/2 miles north of Lindrith, New Mexico.

- 14. <u>Case No. 15659</u>: Application of GMT Exploration Company LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. GMT Exploration Company LLC 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 2, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area). The unit will be dedicated to the Pucker Rapid State Com. Well No. 1H, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 2. The beginning and end of the productive 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 12 miles west-southwest of Oil Center, New Mexico.
- 15. <u>Case No. 15660</u>: Application of GMT Exploration Company LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. GMT Exploration Company LLC 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 2, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area). The unit will be dedicated to the Squeeze State Com. Well No. 1H, a horizontal well with a surface location in the SE/4 SW/4, and a terminus in the NE/4 NW/4, of Section 2. The beginning and end of the productive 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 12 miles west-southwest of Oil Center, New Mexico.
- 16. <u>Case No 15625</u>: (Continued from the March 16, 2017 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the E/2 of Section 21, Township 23 South, Range 28 East, NMPM, for all pools developed on 320 acre spacing within that vertical extent. The unit is to be dedicated to the Loving Townsite 21 W2PA Fee Well No. 1H, a horizontal well with a surface location 220 feet from the north line and 450 feet from the east line of adjoining Section 28, with the first take point approximately 330 feet from the south line and 450 feet from the east line and a terminus 330 feet from the north line and 450 feet from the east line of Section 21. 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 1 mile east of beautiful, downtown Loving, New Mexico.

- 17. Case No. 15637: (Continued from the March 16, 2017 Examiner Hearing.)
- Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 1, 2, S/2 NE/4, and SE/4 (the E/2) of Section 3, Township 24 South, Range 28 East, NMPM, to form a standard 320.25 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Yardbirds 3 W0AP Fee Well No. 2H, a horizontal well with a surface location 185 feet from the north line and 450 feet from the east line, and a terminus 330 feet from the south line and 450 feet from the east line, of Section 3. The beginning and end of the producing interval are 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 1-1/2 miles north of Malaga, New Mexico.
- 18. <u>Case No. 15638</u>: (Continued from the March 16, 2017 Examiner Hearing.)

  Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 1, 2, S/2 NE/4, and SE/4 (the E/2) of Section 3, Township 24 South, Range 28 East, NMPM, to form a standard 320.25 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Yardbirds 3 W2AP Fee Well No. 1H, a horizontal well with a surface location 185 feet from the north line and 400 feet from the east line, and a terminus 330 feet from the south line and 400 feet from the east line, of Section 3. The beginning and end of the producing interval are 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
- 19. <u>Case No. 15661</u>: Application of BC Operating, Inc., Crown Oil Partners V, Crump Energy Partners, and Nadel and Gussman Permian, LLC for compulsory pooling, Eddy County, New Mexico. Applicants in the above-styled cause seek an order pooling all uncommitted interests in the Wolfcamp formation underlying the 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 22, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit is to be

risk involved in drilling and completing the well. The unit is located approximately 1-1/2 miles north of Malaga, New Mexico.

## Examiner Hearing – March 30, 2017 Docket No. 12-17 Page 5 of 10

dedicated to applicant's proposed Chicken Fry Federal Com No. 1H Well, which will be drilled horizontally from the NE/4 NE/4 (Unit A) to a standard bottomhole location in the SE/4 SE/4 (Unit P) of Section 22. 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 BC Operating, Inc., as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1 mile south of Malaga, New Mexico.

20. Case No. 15662: (This case will be dismissed.)

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 765.87-acre. more or less, spacing and proration unit in the Wolfcamp formation comprised of the W/2 W/2 of Section 21, the W/2 W/2 of Section 28, and the W/2 W/2 of Irregular Section 33, Township 26 South. Range 25 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Caverns Federal Com No. 4H Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 21 to a standard bottom hole location in the SW/4 SW/4 (Lot 4) of irregular Section 33. The completed interval for this well will remain within the 330-foot standard offset required the Statewide rules for oil wells. 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, New Mexico.

- 21. <u>Case No. 15643</u>: (Continued from the March 16, 2017 Examiner Hearing.)
- Application of COG Operating LLC for a non-standard spacing and proration unit and/or unorthodox location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 320-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 of Section 36, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico; and/or (2) approving an unorthodox location for the Bultaco State No. 3H Well. The non-standard spacing unit will be dedicated to the Bultaco State No. 1H Well, the Bultaco State No. 2H Well, and the Bultaco State No. 3H Well. The first perforation for the Bultaco State No. 3H Well is located approximately 330 feet from the South line and 1,295 feet from the East line (Unit P). The last perforation is located 100 feet from the North line and 1,295 feet from the East line (Unit A). For this reason, the producing interval is encroaching on the spacing and proration units to the North, Northwest, West, and Southwest of the subject well. Said area is located approximately 22 miles northeast of Malaga, New Mexico.
- 22. <u>Case No. 15663</u>: Application of XTO Energy Inc. 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, 320-acre spacing and proration unit comprised of the E/2 W/2 of Section 8 and the E/2 W/2 of Section 17, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, Willow Lake; Bone Spring, Southeast (Pool Code 96217), underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Corral Canyon Federal No. 14H Well, which will be horizontally drilled from a surface location in the SE/4 SW/4 of Section 5 (Unit N) to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 17. 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 XTO Energy Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles southeast of Malaga, New Mexico.
- 23. <u>Case No. 15664</u>: Application of XTO Energy Inc. 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. 320-acre spacing and proration unit comprised of the W/2 W/2 of Section 8 and the W/2 W/2 of Section 17, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, Willow Lake; Bone Spring, Southeast (Pool Code 96217), underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Corral Canyon Federal No. 13H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 6 (Unit P) to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 17. 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 XTO Energy Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles southeast of Malaga, New Mexico.
- 24. <u>Case No. 15626</u>: (Continued from the March 2, 2017 Examiner Hearing.)

Application of OXY USA Inc. 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 160-acre spacing and proration unit comprised of the N/2 N/2 of Section 21. Township 24 South. Range 29 East, NMPM, Eddy County, New Mexico and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Cedar Canyon 21 Federal Com No. 21H Well, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 21. The completed interval for this well will remain