

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 13, 2017

8:15 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505

Docket Nos. 15-17 and 16-17 are tentatively set for April 27, 2017 and May 11, 2017. 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 15586 - No. 1
Case 15639 - No. 4
Case 15640 - No. 5
Case 15643 - No. 6
Case 15646 - No. 17
Case 15647 - No. 18
Case 15651 - No. 19
Case 15655 - No. 13
Case 15656 - No. 14
Case 15659 - No. 15
Case 15660 - No. 16
Case 15670 - No. 2
Case 15671 - No. 3
Case 15672 - No. 7
Case 15673 - No. 8
Case 15674 - No. 9
Case 15675 - No. 10
Case 15676 - No. 11
Case 15677 - No. 12

1. **Case No. 15586:** (Continued from the February 2, 2017 Examiner Hearing.) (This case will be dismissed.)

Application of GMT Exploration Company LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 160-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 W/2 of Section 32, Township 21 South, Range 32 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Bone Spring formation underlying this acreage. The project area is to be dedicated to applicant's **Grenache "32" State Com. #1H** well, which will be horizontally drilled from a surface location in Unit N of Section 32, Township 21 South, Range 32 East to a bottom hole location in Unit C of Section 32, Township 21 South, Range 32 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of applicant as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately twenty-five (25) miles southwest of Loving, New Mexico.

2. **Case No. 15670:** ***Amended Application of Steward Energy II, LLC for a non-standard oil spacing and proration unit, compulsory pooling, and unorthodox well location, Lea County, New Mexico.*** Applicant seeks an order (i) creating a 480-acre, non-standard oil spacing and proration unit (project area) comprised of the SW/4 of Section 3 and the W/2 of Section 10, Township 14 South, Range 38 East, NMPM, in Lea County, (ii) pooling all mineral interests in the San Andres formation underlying this acreage, and (iii) approving an unorthodox location for applicant's **Pollo Hermanos State #5H** well. The project area is to be dedicated to the Pollo Hermanos State #5H well, which will be horizontally drilled from a surface location in Unit N of Section 10, Township 14 South, Range 38 East to a bottom hole location in Unit K of Section 3, Township 14 South, Range 38 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Steward Energy II, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 16.5 miles northwest of Tatum, New Mexico.

3. **Case No. 15671:** ***Application of Smith and Marrs Inc., for approval of lease pressure maintenance project, in Eddy County, New Mexico.*** Applicant seeks approval to institute a lease pressure maintenance project in its **Superior State Well #1**, located 1980' FNL and 660' FEL, Unit H, Section 8, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.