

and 715 feet from the west line of Section 32, Township 16 South, Range 34 East to a bottomhole location 330 feet from the south line and 480 feet from the west line of Section 5, Township 17 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Applicant and Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately six miles southwest of Lovington, New Mexico.

28. **Case No. 15185 (re-opened):** (Continued from the June 8., 2017 Examiner Hearing.)

**Application of Ard Energy, LLC to reopen Case No. 15185 pursuant to NMAC 19.15.13.13 and the provisions of Orders No. R-13913, as amended, R-13913-B** and to (1) determine reasonable lease operating costs and expenses, and revenue netting attributable to the **Ivar The Boneless Federal Well No. 11H** (API 30-025-42514), located in a unit comprised of W/2 W/2 of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico (the Unit); (2) to determine reasonable costs of drilling and completion, lease operating costs and expenses, and revenue netting attributable to the **Ivar The Boneless Federal Wells Nos. 22H** (API 30-025-42998) and **12H** (API 30-025-42997), located within the Unit. The wells are located approximately five (5) miles south east of Maljamar, New Mexico.

29. **Case No. 15727:** (Continued from the June 22, 2017 Examiner Hearing.)

**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) non-standard 320.02-acre, more or less, spacing and proration unit in the Bone Spring formation comprised of the W/2 W/2 of Section 1 and the W/2 W/2 of Section 12, Township 22 South, Range 33 East, NMPM, Lea 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 **Tenderloin Federal Com No. 4H Well**, a 2-mile horizontal well which will be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 1. 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 22 miles west of Eunice New Mexico.

30. **Case No. 15655:** (Continued from the June 22, 2017 Examiner Hearing.)

**Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico.** Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 35, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico and the W/2 W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Gramma Ridge State Com 1H well** to be drilled at an unorthodox location approximately 144.3 feet from the south line and 911 feet from the west line (surface) of Section 2, Township 22 South, Range 34 East, to 2371 feet from the south line and 330 feet from the west line (terminus) of Section 35, Township 21 South, Range 34 East. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 17 miles west of Eunice, New Mexico.

31. **Case No. 15656:** (Continued from the June 22, 2017 Examiner Hearing.)

**Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico.** Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the E/2 SW/4 of Section 35, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico and the E/2 W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Gramma Ridge State Com 3H well** to be drilled at an unorthodox location approximately 144.3 feet from the south line and 971 feet from the east line (surface) of Section 2, Township 22 South, Range 34 East, to 2387 feet from the south line and 1707.7 feet from the east line (terminus) of Section 35, Township 21 South, Range 34 East. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 17 miles west of Eunice, New Mexico.

32. **Case No. 15659:** (Continued from the June 22, 2017 Examiner Hearing.)

**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.

33. **Case No. 15660:** (Continued from the June 22, 2017 Examiner Hearing.)

***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.

34. **Case No. 15741:** (Continued from the July 6, 2017 Examiner Hearing.)

***Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order (i) creating a 240-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 E/2 of Section 35 and the E/2 SE/4 of Section 26, Township 22 South, Range 31 East, NMPM, in Eddy 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 **Tankless Federal Com #2H well**, which will be horizontally drilled from a surface location in Unit P of Section 35 to a bottom hole location in Unit I of Section 26, Township 22 South, Range 31 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 COG Operating 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 twenty-nine (29) miles east of Carlsbad, New Mexico.

35. **Case No. 15723:** (Continued from the June 22, 2017 Examiner Hearing.)

***Application of OWL SWD Operating, LLC for Authorization to Inject, Lea County, New Mexico.*** Applicant seeks an order authorizing the injection of water for disposal into the Yates-Seven Rivers formation in Lea County, New Mexico in the following well:

**Bobcat SWD No. 1**  
740' FSL & 705' FEL (Unit P)  
Section 25  
T-25S, R-36E, NMPM  
Lea County, New Mexico

Applicant proposes to drill the well at the above location and use it for injection of produced water at depths of 2,915 to 3,060 feet subsurface. The well is located approximately one mile west of Jal, New Mexico.

36. **Case No. 15753:** (Continued from the July 6, 2017 Examiner Hearing.)

***Application of the New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a compliance order against OWL SWD Operating, LLC for the Maralo Sholes B Well No. 2 operated in Lea County, New Mexico.*** The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, seeks a compliance order (1) determining that operator, OWL SWD Operating, LLC ("Operator") is out of compliance with 19.15.16.9 NMAC with respect to its **Maralo Sholes B Well No. 2 (API No. 30-025-09806)** in Lea County, New Mexico; (2) requiring Operator to return said well to compliance with 19.15.16.9 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order after the deadline established in the sought order to suspend injection authority. The subject well injects into the SWD; Yates/Seven Rivers Pool and is located approximately one mile southwest of Jal, New Mexico.

37. **Case No. 15750:** (Continued from the July 6, 2017 Examiner Hearing.)

***Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Nordstrand Engineering, Inc., for Wells Operated in Lea County, New Mexico.*** The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Nordstrand Engineering, Inc. ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

38. **Case No. 15751:** (Continued from the July 6, 2017 Examiner Hearing.)

***Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Pecos River Operating, Inc., for Wells Operated in Chaves County, New Mexico.*** The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the