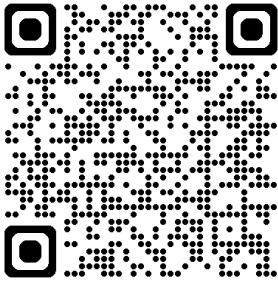


DOCKET: OIL CONSERVATION DIVISION HEARINGS - Thursday, May 23, 2024

**9:00 a.m. – Pecos Hall, 1220 South St. Francis, Santa Fe, New Mexico 87505
and via MS Teams* Virtual Meeting (login information below)**

Persons may view and participate in the hearings using the following link or by scanning the QR Code:

www.microsoft.com/en-us/microsoft-teams/join-a-meeting



Meeting ID: 267 851 609 747

Passcode: zjuWpG

Dial-in by phone:

(505) 312-4308

Phone conference ID: 130 592 067#

-or-

[+1 505-312-4308](tel:+15053124308), [130592067#](tel:+130592067)

*In the event the MS Teams link is inoperable, will the hearing will be conducted via Webex using the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=ma600364c25f4ff16a2d0efd3777d5974>

Applications for hearing shall be filed at least thirty (30) days in advance of the hearing date. A party who intends to present evidence shall file a pre-hearing statement no later than the close of business on the Thursday prior to the hearing date and serve a copy on the other parties, if any. The hearing examiner will dismiss the application if the applicant does not file and serve a pre-hearing statement as specified above.

NOTICE: The hearing examiner may call the following cases in any order at their discretion.

| | Case Number | Description |
|----|---|--|
| 1. | <p>23944</p> <p>[Contested Hearing; Consolidated: 23944-45; 24074-76; 24101-02]</p> | <p>Application of Pride Energy Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (AVALON; BONE SPRING, EAST [3713]) in a standard 640-acre, more or less, horizontal spacing and proration unit (“HSU”), including proximity tracts, comprised of the N/2 of Sections 29 and 30, all in Township 20 South, Range 28 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile wells in the HSU: (1) Burton Flat 29-30 Federal State Com #101H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; (2) Burton Flat 29-30 Federal State Com #102H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E; (3) Burton Flat 29-30 Federal State Com #201H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; (4) Burton Flat 29-30 Federal State Com</p> |

| | | |
|----|--|--|
| | | #202H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E; and (5) Burton Flat 29-30 Federal State Com #203H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the W2 W2 NW/4 of Section 30, T20S-R28E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the wells and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles North of Carlsbad, New Mexico. |
| 2. | 23945 [Consolidated: 23944-45; 24074-76; 24101-02] | Application of Pride Energy Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Wolfcamp formation (WC BURTON FLAT UPPER WOLFCAMP, EAST [98315]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the N/2 of Sections 29 and 30, all in Township 20 South, Range 28 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile wells in the HSU: (1) Burton Flat 29-30 Federal State Com #401H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; and (2) Burton Flat 29-30 Federal State Com #402H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E. Applicant will seek administrative approval of a non-standard spacing unit. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the wells and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles North of Carlsbad, New Mexico. |
| 3. | 24074 [Consolidated: 23944-45; 24074-76; 24101-02] | Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico. |
| 4. | 24075 [Consolidated: 23944-45; 24074-76; 24101-02] | Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico. |
| 5. | 24076 [Consolidated: 23944-45; 24074-76; 24101-02] | Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the to the following proposed wells: <ul style="list-style-type: none"> • Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take |

| | | |
|----|--|---|
| | | <p>point in the NW4NW4 (Unit D) of Section 30, and</p> <ul style="list-style-type: none"> • Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 (Unit E) of Section 30. <p>Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.</p> |
| 6. | <p>24101</p> <p>[Consolidated: 23944-45; 24074-76; 24101-02]</p> | <p>Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 111H and the Wayne Gaylord 2930 Fed Com 121H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.</p> |
| 7. | <p>24102</p> <p>[Consolidated: 23944-45; 24074-76; 24101-02]</p> | <p>Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 122H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.</p> |