

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 5, 2015

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 04-15 and 05-15 are tentatively set for February 19, 2015 and March 5, 2015. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B 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.

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| <p><i>Locator Key for Cases</i> <i>Case 15252 – No. 3</i> <i>Case 15256 – No. 4</i> <i>Case 15260 – No. 2</i> <i>Case 15262 – No. 1</i></p> |
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1. **CASE 15262:** *(This case will be continued to the February 19, 2015 Examiner Hearing.)*
Application of Mesquite SWD, Inc. for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water into the Basal Yates and Upper Seven Rivers formations at depths of 3378-3388 feet subsurface in the proposed **Johnny East SWD Well No. 1**, to be located 300 feet from the south line and 2340 feet from the west line of Section 11, Township 25 South, Range 36 East, NMPM. The well is located approximately 3 miles northwest of Jal, New Mexico.

2. **CASE 15260:** *(Continued from the January 22, 2015 Examiner Hearing.)*
Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy 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 S/2 S/2 of Section 5, Township 19 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Gobbler 5 B2PM State Com. Well No. 1H**, a horizontal well with a surface location 330 feet from the south line and 330 feet from the east line, and a terminus 330 feet from the south line and 330 feet from the west line, of Section 5. 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 southwest of Loco Hills, New Mexico.

3. **CASE 15252:** *(Continued from the January 22, 2015 Examiner Hearing.)*
(Amended) Application of Chevron U.S.A. Inc. for approval of a 949.56 acre non-standard project area comprised of acreage subject to a communitization agreement; Lea, New Mexico. Applicant seeks an order approving a 949.56 acre non-standard project area comprised of acreage subject to a communitization agreement covering all of Sections 29 and 32, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico (**Bone Spring Pool (97955)**). The subject acreage is located approximately 50 miles South of Jal, New Mexico.

4. **CASE 15256:** *(Continued from the January 22, 2015 Examiner Hearing.)*
Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (1) creating a non-standard, 200-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 11, Township 17 South, Range 32 East and the NW/4 NW/4 of Section 14, Township 17 South, Range 32 East, NMPM, Lea County and (2) pooling all mineral interests in the Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Pan Head Fee No. 12H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 11 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 14. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located 1 mile East of Maljamar New Mexico.