#### **DOCKET: OIL CONSERVATION DIVISION HEARINGS - Thursday, June 1, 2023**

8:15 a.m.

Persons may view and participate in the hearings through the following link: <a href="https://nmemnrd.webex.com/nmemnrd/j.php?MTID=ma6ae23341387d744a0ac0dd42666b517">https://nmemnrd.webex.com/nmemnrd/j.php?MTID=ma6ae23341387d744a0ac0dd42666b517</a>

Webinar number: 2487 125 5805

Join by video system: 24871255805@nmemnrd.webex.com
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll

Access code: 2487 125 5805

Panelist password:

SVkzTp8GF43 (78598784 from phones and video systems)

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 in his or her discretion.

	Case Number	Description
1.	23499 [Dismissed]	Application of 3R Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 SW/4 of Section 25 and the W/2 W/2 of Section 36, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): the Morpheus 25-36 State 1BS Com #5H well and the Morpheus 25-36 State 2BS Com #1H well, to be drilled from a surface hole location in NW/4 SW/4 (Unit L) of Section 25, Township 20 South, Range 35 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36, Township 20 South, Range 35 East. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16 miles Southwest of Hobbs, New Mexico.
2.	23318 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 639.23-acre, more or less, horizontal spacing unit comprised of Lots 1 & 2, S2NE, SE (E2 equivalent) of irregular Section 2 and E2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells:  • Redtail Federal Com 501H and Redtail Federal Com 502H to be horizontally drilled from a

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 2 of 25

surface location in the NE4NE4 (Lot 1) of Section 2 to bottomhole locations in the SE4SE4 (Unit P) of Section 11.

- Redtail Federal Com 503H to be horizontally drilled from a surface location in the NE4NE4 (Lot 1) of Section 2 to a bottomhole location in the SW4SE4 (Unit O) of Section 11.
- Redtail Federal Com 602H and Redtail Federal Com 604H to be horizontally drilled from a surface location in the NW4NE4 (Lot 2) of Section 2 to bottomhole locations, respectfully, in the SE4SE4 (Unit P) of Section 11 and SW4SE4 (Unit O) of Section 11.

The completed interval of the proposed Redtail Federal Com 502H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

# 3. 23319 [Status Conference]

Application of COG Operating LLC for Compulsory Pooling and Approval of Overlapping Spacing Unit, Lea County, New Mexico. Applicant in the above-styled cause seeks (a) an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 639.29-acre, more or less, horizontal spacing unit comprised of Lots 3 & 4, S2NW, SW (W2 equivalent) of irregular Section 2 and W2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (b) approving, as necessary, this overlapping spacing unit. Said unit will be initially dedicated to following proposed wells:

- Redtail Federal Com 504H and Redtail Federal Com 505H wells, to be horizontally drilled from a surface location in the NW4NW4 (Lot 4) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of Section 11.
- Redtail State Com 506H well, to be horizontally drilled from a surface location in the NW4NW4 (Lot 4) of Section 2 to a bottomhole location in the SW4SW4 (Unit M) of Section 2.
- Redtail Federal Com 606H and Redtail Federal Com 608H wells, to be horizontally drilled from a surface location in the NE4NW4 (Lot 3) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of Section 11.

The completed interval of the proposed Redtail Federal Com 505H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. This proposed horizontal well spacing unit will overlap the following existing spacing units in the W2 of Section 11:

- A 160-acre spacing unit comprised of the W2W2 of Section 11 that is currently dedicated to the Urraca 11 SB Federal Com 4H (30-025-41968) currently producing from the Bone Spring formation.
- A 160-acre spacing unit comprised of the E2W2 of Section 11 that is currently dedicated to the Urraca 23 32 11 Federal Com 24H (30-025-42226) currently producing from the Bone Spring formation.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga. New Mexico.

# 4. 23320 [Status Conference]

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 639.23-acre, more or less, horizontal spacing unit comprised of Lots 1 & 2, S2NE, SE (E2 equivalent) of irregular Section 2 and E2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Redtail Federal Com 701H and Redtail Federal Com 703H wells, both to be horizontally drilled from a surface location in the NW4NE4 (Lot 2) of Section 2 to bottomhole locations, respectively, in the SE4SE4 (Unit P) and the SW4SE4 (Unit O) of Section 11. The completed interval of the proposed Redtail Federal Com 703H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 3 of 25

#### 5. 23321 [Status Conference]

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 639.29-acre, more or less, horizontal spacing unit comprised of Lots 3 & 4, S2NW, SW (W2 equivalent) of irregular Section 2 and W2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Redtail Federal Com 705H and Redtail Federal Com 707H wells, to be horizontally drilled from a surface location in the NE4NW4 (Lot 3) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of Section 11. The completed interval of the proposed Redtail Federal Com 707H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

#### 6. 23485

Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 800-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the W/2 of Sections 3 and 10, and the NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed North Blondie 3-15 Fed Com #1H and North Blondie 3-15 Fed Com #6H wells, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 15, Township 26 South, Range 34 East; North Blondie 3–15 Fed Com #8H well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 NW/4 (Unit F) of Section 15, Township 26 South, Range 34 East; North Blondie 3-15 Fed Com #9H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 NW/4 (Unit F) of Section 15, Township 26 South, Range 34 East; and the North Blondie 3– 15 Fed Com #2H well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 34, Township 25 South, Range 34 East, to a bottom hole location on the guarterquarter line between the SW/4 NW/4 (Unit E) and the SE/4 NW/4 (Unit F) of Section 15, Township 26 South, Range 34 East. The completed interval of the North Blondie 3–15 Fed Com #8H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. This 800-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage: A 160-acre, more or less, horizontal well spacing unit comprised of the E/2 W/2 of Section 3, Township 26, South, Range 34 East, dedicated to the Dean APQ Federal #2 well (API: 30-025-40089).

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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 16 miles southwest of Jal, New Mexico.

#### 7. 23486

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a standard 800-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 3 and 10, and the NE/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed North Blondie 3–15 Fed Com #3H and North Blondie 3–15 Fed Com #10H wells, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 15, Township 26 South, Range 34 East; North Blondie 3–15 Fed Com #11H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 15, Township 26 South, Range 34 East; North Blondie 3–15 Fed Com #5H and North Blondie 3–15 Fed Com #13H wells, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 34, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 15, Township 26 South, Range 34 East; and the North Blondie 3–

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 4 of 25

	1	1 490 4 01 20
		15 Fed Com #4H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 34, Township 25 South, Range 34 East, to a bottom hole location on the quarter-quarter line between the SW/4 NE/4 (Unit G) and the SE/4 NE/4 (Unit H) of Section 15, Township 26 South, Range 34 East. The completed interval of the North Blondie 3–15 Fed Com #11H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. 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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 16 miles southwest of Jal, New Mexico.
8.	23329	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the W/2W/2 of Section 13 and the W/2W/2 of Section 24, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Millie Mile 13-24 Fed. Com. Well Nos. 101H and 201H, with first take points in the NW/4NW/4 of Section 13 and last take points in the SW/4SW/4 of Section 24. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 7 miles east-northeast of Halfway, New Mexico.
9.	23330	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the E/2W/2 of Section 13 and the E/2W/2 of Section 24, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Millie Mile 13-24 Fed. Com. Well Nos. 102H and 202H, with first take points in the NE/4NW/4 of Section 13 and last take points in the SE/4SW/4 of Section 24. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 7 miles east-northeast of Halfway, New Mexico.
10.	23331	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation in a horizontal spacing unit comprised of the W/2W/2 of Section 13 and the W/2W/2 of Section 24, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Millie Mile 13-24 Fed. Com. Well No. 401H, with a first take point in the NW/4NW/4 of Section 13 and a last take point in the SW/4SW/4 of Section 24. Also to be considered will be the cost of drilling, completing, testing, and equipping 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, completing, testing, and equipping the well. The unit is located approximately 7 miles east-northeast of Halfway, New Mexico.
11.	23332	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation in a horizontal spacing unit comprised of the E/2W/2 of Section 13 and the E/2W/2 of Section 24, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Millie Mile 13-24 Fed. Com. Well No. 402H, with a first take point in the NE/4NW/4 of Section 13 and a last take point in the SE/4SW/4 of Section 24. Also to be considered will be the cost of drilling, completing, testing, and equipping 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, completing, testing, and equipping the well. The unit is located approximately 7 miles east-northeast of Halfway, New Mexico.
12.	22971 [Continued to July 6, 2023]	Application of FAE II Operating, LLC for Approval of an Enhanced Oil Recovery Project and to Qualify the Project for the Recovered Oil Tax Rate, Lea County, New Mexico. Applicant applies for an order approving an enhanced oil recovery project (secondary and tertiary recovery) in the South Jal Unit Area by the injection of water and gas into the Yates-Seven Rivers-Queen formation in wells located on approximately 19,369.77 acres of federal, state, and fee lands located in Lea County that include all or parts of: Township 25 South, Range 36 East – Sections

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 5 of 25

		1 496 0 01 20
		13, 24-26, 36; Township 25 South, Range 37 East – Sections 15, 16, 18, 19, 21-23, 26-28, 30-35; Township 26 South, Range 37 East – Sections 3-10, 15-23, 29, 32. Applicant proposes to: convert four producing wells to injection wells, drill 11 new injection wells, and reactivate one injection well in the Queen Formation; convert five producing wells to injection wells and drill three new injection wells in the Yates Formation; and convert three producing wells to injection wells in the Moberly Rhodes, Yates-Seven Rivers Formation. Applicant seeks authorization to include additional injection wells within the project administratively. Applicant also requests that the enhanced oil recovery project be qualified for the recovered oil tax rate, pursuant to the Enhanced Oil Recovery Act, NMSA 1978, Sections 7-29A-1 to -5, and New Mexico Oil Conservation Division regulations. The project area is centered approximately 2.25 miles South of Jal, New Mexico.
13.	23496	Application of Franklin Mountain Energy 3, LLC for Approval of Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2W/2 of Sections 27 and 34, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Norte State Com 702H well, to be horizontally drilled. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.
14.	23020 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the W/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 1H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
15.	23021 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 4H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Swallowtail 14-11 WA Federal 4H well will be less than 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed standard horizontal spacing unit. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
16.	23022 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the E/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 5H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
17.	23023 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 8H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 6 of 25

		1 age 0 01 20
		well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
18.	23024 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the E/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 12H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
19.	23025 [Status Conference]	Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 9H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Swallowtail 14-11 TB Federal 9H well will be less than 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed standard horizontal spacing unit. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.
20.	23489	Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Whitby 2526 Fed Com #121H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 4 miles northeast of Carlsbad, New Mexico.
21.	23493	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 640-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation comprised of the N/2 of Section 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Whitby 2526 Fed Com #201H well, to be horizontally drilled from a surface location in the NE/4 (Unit A) of Section 25 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; and the Whitby 2526 Fed Com #202H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 25 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 26. This 640-acre horizontal well spacing unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:  • 320-acre, more or less, vertical well spacing unit comprised of the W/2 of Section 25, Township 21 South, Range 27 East, dedicated to the Toothman Gas Com #1 well (API: 30-015-21566);  • 320-acre, more or less, vertical well spacing unit comprised of the E/2 of Section 26, Township 21 South, Range 27 East, dedicated to the E J Garner Com #1 well (API: 30-015-22722); and  • 40-acre, more or less, vertical well spacing unit comprised of the SE/4 NW/4 (Unit F) of Section 26, Township 21 South, Range 27 East, dedicated to the Baumgartner Federal Gas Com #2Y (API: 30-015-31971).  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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 4 miles northeast of Car

# Examiner Hearing - Thursday, June 1, 2023

	Docket No. 11-23 Page 7 of 25		
22.	23494	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 640-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Whitby 2526 Fed Com #203H well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 25 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26; and the Whitby 2526 Fed Com #204H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 25 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26. This 640-acre horizontal well spacing unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:  320-acre, more or less, vertical well spacing unit comprised of the W/2 of Section 25, Township 21 South, Range 27 East, dedicated to the Toothman Gas Com #1 well (API: 30-015-21566); and  320-acre, more or less, vertical well spacing unit comprised of the E/2 of Section 26, Township 21 South, Range 27 East, dedicated to the E J Garner Com #1 well (API: 30-015-22722). 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 4 miles northeast of Carlsbad, New Mexico.	
23.	23408 [Continued to July 6, 2023]	Application of Mewbourne Oil Company for compulsory pooling and approval of a non-standard spacing and proration unit, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the NE/4 of Section 33, E/2 of Section 28, and the E/2 of Section 21, Township 19 South, Range 35 East, NMPM. The unit will be dedicated to (a) the Charolais 33/21 B1GB State Com. Well No. 1H, with a first take point in the SW/4NE/4 of Section 33 and a last take point in the NW/4NE/4 of Section 21, and (b) the Charolais 33/21 B1HA State Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 33 and a last take point in the NE/4NE/4 of Section 21. Applicant also requests approval of a nonstandard spacing and proration unit in the Bone Spring formation (Pearl; Bone Spring Pool) for a unit comprised of the NE/4 of Section 33, the E/2 of Section 28, and the E/2 of Section 21. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 20-1/2 miles west-southwest of Hobbs, New Mexico.	
24.	23445 [Continued to June 15, 2023]	Application of Mewbourne Oil Company for compulsory pooling and approval of unorthodox well locations, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal well unit comprised of the NW/4 of Section 14 and the W/2 of Section 11, Township 26 South, Range 29 East, NMPM. The unit will be dedicated to: (a) the Fuller 14/11 W1ED Fed. Com. Well No. 1H, with a first take point in the SW/4NW/4 of Section 14 and a last take point in the NW/4NW/4 of Section 11; (b) the Fuller 14/11 W1ED Fed. Com. Well No. 2H, with a first take point in the SW/4NW/4 of Section 14 and a last take point in the NW/4NW/4 of Section 11; (c) the Fuller 14/11 W1FC Fed. Com. Well No. 1H, with a first take point in the SE/4NW/4 of Section 14 and a last take point in the NE/4NW/4 of Section 11; and (d) the Fuller 14/11 W1FC Fed. Com. Well No. 2H, with a first take point in the SE/4NW/4 of Section 14 and a last take point in the NE/4NW/4 of Section 11. The first and last take points of the wells will be 100 feet from the end lines of the well unit, and applicant requests approval of the unorthodox well locations. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and expressing the tables of the wells, and approximately 14 miles.	

25. 23446 [Continued to July 6, 2023]

Application of Mewbourne Oil Company for compulsory pooling and approval of a non-standard spacing and proration unit, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal well unit comprised of the NW/4 of Section 14 and the W/2 of Section 11, Township 26 South, Range 29 East, NMPM. The unit will be dedicated to: (a) the Fuller 14/11 B2ED Fed.

drilling, completing, testing, and completing the wells. The unit is located approximately 14 miles

Generated: 5/18/2023 1:50:39 PM

southeast of Malaga, New Mexico.

# Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 8 of 25

Com. Well No. 1H, with a first take point in the SW/4NW/4 of Section 14 and a last take point in the NW/4NW/4 of Section 11; and (b) the Fuller 14/11 B2FC Fed. Com. Well No. 2H, with a first take point in the SE/4NW/4 of Section 14 and a last take point in the NE/4NW/4 of Section 11. The well unit will be non-standard. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells 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, completing, testing, and completing the wells. The unit is located approximately 14 miles southeast of Malaga, New Mexico.

#### 26. 23487 [Continued to July 6, 2023]

Application of Mewbourne Oil Company for compulsory pooling and approval of a non-standard spacing and proration unit, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2 of Section 2 and the NW/4NE/4, S/2NE/4, and NW/4 of Section 1, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Applicant proposes to drill the following wells to a depth sufficient to test the Bone Spring formation: (a) the Night Watch 2/1 B2DB Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of Section 2 and a last take point in the NW/4NE/4 of Section 1; and (b) the Night Watch 2/1 B2EH Fed. Com. Well No. 1H, a horizontal well with a first take point in the SW/4NW/4 of Section 2 and a last take point in the SE/4NE/4 of Section 1. The producing interval of each well will be orthodox Applicant also requests that the wells be dedicated to a non-standard spacing and proration unit in the Young; Bone Spring, North Pool. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing and equipping the wells. The well unit is located approximately 5-1/2 miles south-southeast of Maljamar, New Mexico.

#### 27. 23488

Application of Mewbourne Oil Company for compulsory pooling, a non-standard spacing and proration unit, and approval of overlapping well units, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying an 1820.97-acre non-standard horizontal spacing unit comprised of lots 1-4, E/2W/2, and E/2 (all) of Section 31, Lots 1-4, N/2, and N/2S/2 (all) of Section 32, and Lots 1-4, N/2, and N/2S/2 (all) of Section 33, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to:

- (a) the Pavo Macho 31/33 B3DA Fed. Com. Well No. 2H, with a first take point in Lot 1 of Section 31 and a last take point in the NE/4NE/4 of Section 33;
- (b) the Pavo Macho 31/33 B3EH Fed. Com. Well No. 2H, with a first take point in Lot 2 of Section 31 and a last take point in the SE/4NE/4 of Section 33;
- (c) the Pavo Macho 31/33 B3LI Fed. Well No. 1H, with a first take point in Lot 3 of Section 31 and a last take point in the NE/4SE/4, of Section 33; and
- (d) the Pavo Macho 31/33 B3MP Fed. Com. Well No. 1H, with a first take point in Lot 4 of Section 31 and a last take point in the SE/4SE/4, of Section 33.

Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wellS, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wellS. Applicant also requests approval of the proposed well unit overlapping the well units for the following wells:

Well Name Well Unit Operator

Pavo Macho 31/32 B2DA Fed. Com. Well No. 1H N/2N/2 §31 & N/2N/2 §32 Applicant Well Name Well Unit Operator

Pavo Macho 31/32 B2EH Fed. Com. Well No. 1H S/2N/2 §31 & S/2N/2 §32 Applicant Well Name Well Unit Operator

Pavo Macho 31 B2LI Fed. Com. Well No. 1H N/2S/2 §31 Applicant

Well Name Well Unit Operator

Pavo Macho 31 BMP Fed. Com. Well No. 1H S/2S/2 §31 Applicant

Well Name Well Unit Operator

Palmillo State Well No. 2 W/2SE/4 §32 Cimarex

Well Name Well Unit Operator

Palmillo State Com. Well No. 4 W/2SW/4 §32 Cimarex

The unit is located approximately 11 miles southwest of Loco Hills, New Mexico.

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 9 of 25

	Page 9 of 25		
28.	23462	Application of Spur Energy Partners, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Yeso formation from a depth of approximately 3,500' TVD to the base of the formation underlying a 320-acre, more or less, standard overlapping horizontal spacing unit comprised of the S/2 of Section 28, Township 17 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells (collectively "Wells"): Welch CD 28 State Com 10H, Welch CD 28 State Com 21H, Welch CD 28 State Com 51H, and Welch CD 28 State Com 91H, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 28; and Welch CD 28 State Com 90H, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 28 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 28. The completed interval of the Welch CD 28 State Com 10H will be located within 330' of the line separating the N/2 S/2 and S/2 S/2 of Section 28 to allow for the formation of a standard 320-acre horizontal spacing unit. Due to a depth severance in the Yeso formation within the Unit, Spur seeks to pool interests from approximately 3,500' TVD to the base of the Yeso formation at a stratigraphic equivalent of approximately 5,624' TVD. The Unit will partially overlap with the spacing unit for the Red Lake 28 K State #001 well (API #30-015-33540), Red Lake 28 K State #002 well (API #30-015-34002), Red Lake 28 K State #003 well (API #30-015-34002), Red Lake 28 N State #004 well (API #30-015-345541), Red Lake 28 N State #004 well (API #30-015-34002), Red Lake 28 N State #003 well (API #30-015-34006), Ned Lake 28 N State #004 well (API #30-015-34007), Red Lake 28 N State #004 well (API #30-015-34007), Re	
29.	23471	Application of Spur Energy Partners, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests within the San Andres formation, as described below, underlying a 120-acre, more or less, standard overlapping horizontal spacing unit comprised of the N/2 SE/4 and NE/4 SW/4 of Section 28, Township 17 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Welch CD 28 State Com SA 10H well ("Well") which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 27 to a bottom hole location in the NE/4 SW/4 (Unit K) of Section 28. The completed interval of the Well will be orthodox. Due to a depth severance in the San Andres formation within the Unit, Spur seeks to pool interests from approximately 2,099' TVD to approximately 3,109' TVD. The Unit will partially overlap with the spacing units for the Red Lake 28 K State #002 well (API #30-015-34005) and the Maloof State #001 well (API #30-015-41019). 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 is located approximately 13.19 miles east and 2.70 miles south of Artesia, New Mexico.	
30.	23507 [Continued to July 6, 2023]	Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Texas Standard Operating NM LLC seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a horizontal spacing unit comprised of (i) the E/2E/2 of Section 34, Township 16 South, Range 36 East, N.M.P.M., and (ii) the E/2NE/4 of Section 3, Township 17 South, Range 36 East, N.M.P.M. The unit will be dedicated to the Bulldog State Well Nos. 3H and 4H, which have first take points in the NE/4NE/4 of Section 34 and last take points in the SE/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 5 miles south of Lovington, New Mexico.	
31.	23508 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 4 and the W/2 W/2 of	

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 10 of 25

		Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 111H, 121H, 122H, 171H, and 131H wells, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 4, Township 20 South, Range 34 East, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
32.	23509 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 4 and the E/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 112H, 123H, 124H, 172H, 132H wells, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 4, Township 20 South, Range 34 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
33.	23510 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be dedicated to the following proposed initial wells:  • Bane 4-9 Federal Com 113H and 173H wells, to be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 4, Township 20 South, Range 34 East, to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 9, Township 20 South, Range 34 East; and  • Bane 4-9 Federal Com 125H, 126H, and 133H wells, to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 20 South, Range 34 East, to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 9, Township 20 South, Range 34 East.  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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
34.	23511 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 114H, 127H, 128H, 174H, 134H wells, to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 20 South, Range 34 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 9, Township 20 South, Range 34 East. 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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
35.	23512 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 4 and the W/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 201H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 4, Township 20 South, Range 34 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 11 of 25

		allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
36.	23513 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 4 and the E/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 202H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 4, Township 20 South, Range 34 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
37.	23514 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 203H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 20 South, Range 34 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
38.	23515 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Bane 4-9 Federal Com 204H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 4, Township 20 South, Range 34 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 9, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
39.	23516 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 111H, 121H, 122H, 171H, and 131H wells, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 5, Township 20 South, Range 34 East, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 40 miles northeast of Carlsbad, New Mexico.
40.	23517 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 112H, 123H, 124H, 172H, 132H wells, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 5,

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 12 of 25

		raye 12 01 25
		Township 20 South, Range 34 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 40 miles northeast of Carlsbad, New Mexico.
41.	23518 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 113H, 125H, 126H, 173H, 133H wells, to be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 5, Township 20 South, Range 34 East, to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
42.	23519 [Continued to July 20, 2023]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 114H, 127H, 128H, 174H, 134H wells, to be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 5, Township 20 South, Range 34 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East. 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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
43.	23520 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 201H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 5, Township 20 South, Range 34 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 40 miles northeast of Carlsbad, New Mexico.
44.	23521 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 202H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 5, Township 20 South, Range 34 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 40 miles northeast of Carlsbad, New Mexico.
45.	23522 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 13 of 25

		2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 203H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 5, Township 20 South, Range 34 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
46.	23523 [Status Conference]	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing comprised of Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Joker 5-8 Federal Com 204H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 5, Township 20 South, Range 34 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 34 East. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 27 miles southwest of Hobbs, New Mexico.
47.	23524	Application of Read & Stevens, Inc. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320.95-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the Lot 4, SW/4 NW/4 and the W/2 SW/4 of Section 3, and the W/2 W/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Riddler 3-10 Federal Com 121H, and Riddler 3-10 Federal Com 122H wells, all to be horizontally drilled from a surface location in Lot 3 of Section 3 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 10. This 320.95-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:  • 160.95-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 3, Township 20 South, Range 34 East, dedicated to the North Lea 3 Fed Com #4H (API: 30-025-42684).  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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
48.	23525	Application of Read & Stevens, Inc. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320.85-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of Lot 3, SE/4 NW/4 and the E/2 SW/4 of Section 3, and the E/2 W/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Riddler 3-10 Federal Com 112H, Riddler 3-10 Federal Com 123H, and Riddler 3-10 Federal Com 124H wells, all to be horizontally drilled from a surface location in Lot 3 of Section 3 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10. This 320.85-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:  • 160-acre, more or less, horizontal well spacing unit comprised of the E/2 W/2 of Section 3, Township 20 South, Range 34 East, dedicated to the North Lea 3 Fed Com #3H (API: 30-025-42228).  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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 14 of 25

		<u> </u>
49.	23526	Application of Read & Stevens, Inc. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320.75-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the Lot 2, SW/4 NE/4 and the W/2 SE/4 of Section 3, and the W/2 E/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Riddler 3-10 Federal Com 113H, Riddler 3-10 Federal Com 125H, and Riddler 3-10 Federal Com 126H wells, all to be horizontally drilled from a surface location in Lot 1 of Section 3 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 10. This 320.75-acre horizontal well spacing unit will overlap the following existing horizontal well spacing units covering portions of the subject acreage:  • 160-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Section 3, Township 20 South, Range 34 East, dedicated to the North Lea 3 Fed Com #2H (API: 30-025-42227); and  • 160-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Section 10, Township 20 South, Range 34 East, dedicated to the North Lea 10 Fed Com #2H (API: 30-025-43680).  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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
50.	23527	Application of Read & Stevens, Inc. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320.65-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the Lot 1, SE/4 NE/4 and the E/2 SE/4 of Section 3, and the E/2 E/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Riddler 3-10 Federal Com 114H, Riddler 3-10 Federal Com 127H, and Riddler 3-10 Federal Com 128H wells, all to be horizontally drilled from a surface location in Lot 1 of Section 3 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 10. This 320.65-acre horizontal well spacing unit will overlap the following existing horizontal well spacing units covering portions of the subject acreage:  • 160-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 3, Township 20 South, Range 34 East, dedicated to the North Lea 3 Fed Com #1H (API: 30-025-42080); and  • 160-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 10, Township 20 South, Range 34 East, dedicated to the North Lea 10 Fed Com #1H (API: 30-025-43679).  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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
51.	23528	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 160-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Riddler 10 Federal Com 171H and Riddler 10 Federal Com 131H, wells, both to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 10. 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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
52.	23529	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 160-acre, more or less, horizontal well spacing unit comprised of the E/2 W/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Riddler 10 Federal Com 172H and

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 15 of 25

		Fage 15 01 25
		the Riddler 10 Federal Com 132H wells, both to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 10. 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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
53.	23530	Application of Read & Stevens, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp (oil) formation underlying a standard 160-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 10, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Riddler 10 Federal Com 201H well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 10. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Permian Resources Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.
54.	23531	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Section 15 and the NE/4 of Section 22, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): the Woody 22 Federal Com #503H, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 22 to a bottom hole location in the NW4 NE/4 (Unit B) of Section 15; and the Woody 22 Federal Com #504H and Woody 22 Federal Com #505H, to be drilled from surface hole locations in the NE/4 SE/4 (Unit I) of Section 22 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 15. The completed intervals of the Wells will be orthodox. The completed interval of the Woody 22 Federal Com #504H well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 15 and 22 to allow for the creation of a 480-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 20.70 miles Southwest of Hobbs, New Mexico.
55.	23532 [Status Conference]	Application of Permian Resources Operating, LLC for Approval of Non-Standard Well Location, Lea County, New Mexico. Applicant seeks an order approving a non-standard location ("NSL") for the Eric Cartman 31 State Com #505H well (API No. 30-025-50160) ("Well"). The Well will be drilled for purposes of production from the Ojo Chiso; Bone Spring Pool (Code 96553) and will be dedicated to a 160-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 E/2 of Section 31, Township 21 South, Range 35 East, Lea County, New Mexico. The surface hole of the Well is located approximately 135 feet FNL and 415 feet FEL (Unit A) of Section 31, and the bottom hole is located approximately 100 feet FSL and 1,330 feet FEL (Unit O) of Section 31. The first take point will be located approximately 100 feet FNL and 1,330 feet FEL (Unit B) of Section 31, and the last take point will be approximately 100 feet FSL and 1,330 feet FEL (Unit O) of Section 31. The completed interval of the Well will be less than 330' from the eastern boundary of the existing 160-acre horizontal spacing unit. The Well is located approximately 14 miles west of Eunice, New Mexico.
56.	23533	Application of Chevron Production 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 (i) approving a 640-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 of Sections 26 and 35 within Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit. The above-referenced unit will be initially dedicated to the proposed CB Tano 26 35 Fee 11 101H and 102H wells, which will be horizontally drilled from a common surface hole location in the NE/4 NE/4 (Unit A) of Section 26 to bottom hole locations in the SW/4 SE/4 (Unit O) and the SE/4 SE/4 (Unit P) of Section 35. This 640-acre horizontal well spacing unit will overlap two existing 160-acre vertical well spacing units in the Bone Spring formation, as follows:  • A 160-acre horizontal well spacing unit comprised of the W/2 E/2 of Section 35, T23S-R28E, NMPM, Eddy County, and dedicated to the Layla 35 OB 001H (API 30-015-40968); and

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 16 of 25

		Page 16 of 25
		• A 160-acre horizontal well spacing unit comprised of the E/2 E/2 of Section 35, T23S-R28E, NMPM, Eddy County, and dedicated to the Layla 35 PA 001H (API 30-015-40967). Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 2.5 miles southeast of Loving, New Mexico.
57.	23534	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 21 and 28, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Bridge State Unit 28 #506H well ("Well"), to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 21. The completed interval of the Well will be orthodox. 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 Well is located approximately 13.8 miles southwest of Eunice, New Mexico.
58.	23535	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 21 and 28, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Bridge State Unit 28 #507H well ("Well"), to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 28 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 21. The completed interval of the Well will be orthodox. 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 Well is located approximately 13.8 miles southwest of Eunice, New Mexico.
59.	23536	Application of Colgate Operating, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling operations under Order No. R-22244 ("Order") until August 29, 2024. The Division entered the Order in Case No. 22796 on August 29, 2022. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Bondi 24 Fed Com 121H well ("Unit"); and designated Applicant as operator of the Unit and Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until August 29, 2024. The Well is located approximately 11.12 miles northeast of Carlsbad, New Mexico.
60.	23537	Application of Colgate Operating, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling operations under Order No. R-22245 ("Order") until August 29, 2024. The Division entered the Order in Case No. 22797 on August 29, 2022. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Bondi 24 Fed Com 122H well ("Unit"); and designated Applicant as operator of the Unit and Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until August 29, 2024. The Well is located approximately 11.12 miles northeast of Carlsbad, New Mexico.
61.	23538	Application of Colgate Operating, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling operations under Order No. R-22246 ("Order") until August 29, 2024. The Division entered the Order in Case No. 22798 on August 29, 2022. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Bondi 24 Fed Com 123H well ("Unit"); and designated Applicant as operator of the Unit and Well. The

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 17 of 25

		rage 17 of 25
		Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until August 29, 2024. The Well is located approximately 11.12 miles northeast of Carlsbad, New Mexico.
62.	23539	Application of Colgate Operating, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling operations under Order No. R-22247 ("Order") until August 29, 2024. The Division entered the Order in Case No. 22799 on August 29, 2022. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Bondi 24 Fed Com 124H well ("Unit"); and designated Applicant as operator of the Unit and Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until August 29, 2024. The Well is located approximately 11.12 miles northeast of Carlsbad, New Mexico.
63.	23541	Application of Spur Energy Partners LLC to Amend Order No. R-22222, Eddy County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the wells under Order No. R-22222. The Unit is comprised of the S/2 of Section 18, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. Order No. R-22222 pooled the uncommitted interests in the Yeso formation (Red Lake; Glorieta-Yeso [51120]), from 3,001 feet to the base of the Yeso formation, and dedicated the Unit to the proposed initial Baffin #10H (API No. 30-015-PENDING) and Baffin #70H (API No. 30-015-PENDING), both to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I), T18S-R26E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 18, T18S-R27E; and the Baffin #11H (API No. 30-015-PENDING), Baffin #20H (API No. 30-015-PENDING), and Baffin #71H (API No. 30-015-PENDING), all to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P), T18S-R26E, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 18, T18S-R27E. Said area is located 8 miles southeast of Artesia, New Mexico.
64.	23542	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of the N/2 of Section 21 and the N/2 of Section 20, Township 20 South, Range 27 East, NMPM. The unit will be dedicated to (a) the Wine Mixer 21/20 B3AD Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of Section 21 and a last take point in the NW/4NW/4 of Section 20, and (b) the Wine Mixer 21/20 B3HE Fed. Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 21 and a last take point in the SW/4NW/4 of Section 20. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 6-1/2 miles southeast of Lakewood, New Mexico.
65.	23543 [Dismissed]	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of the N/2 of Section 21 and the N/2 of Section 20, Township 20 South, Range 27 East, NMPM. The unit will be dedicated to (a) the Wine Mixer 21/20 B3AD Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of Section 21 and a last take point in the NW/4NW/4 of Section 20, and (b) the Wine Mixer 21/20 B3HE Fed. Com. Well No. 1H, with a first take point in the SE/4NE/4 of Section 21 and a last take point in the SW/4NW/4 of Section 20. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 6-1/2 miles southeast of Lakewood, New Mexico.
66.	23544	Application of Mewbourne Oil Company to re-open Case No. 22841 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order re-opening Case No. 22841 and pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the N/2N/2 of Section 25 and the N/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 511H (f/k/a the Deep Ellum 25/26 B2AB Fed. Com. Well No. 1H) and the

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 18 of 25

		the Deep Ellum 25/26 Fed. Com. Well No. 611H, horizontal wells with first take points in the NE/4NE/4 of Section 25 and last take points in the NW/4NE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 11-1/2 miles southeast of Loco Hills, New Mexico.
67.	23545	Application of Mewbourne Oil Company to re-open Case No. 22842 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order re-opening Case No. 22842 and pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the S/2N/2 of Section 25 and the S/2NE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 513H (f/k/a the Deep Ellum 25/26 B2HG Fed. Com. Well No. 1H) and the the Deep Ellum 25/26 Fed. Com. Well No. 613H, horizontal wells with first take points in the SE/4NE/4 of Section 25 and last take points in the SW/4NE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 11-1/2 miles southeast of Loco Hills, New Mexico.
68.	23546	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the N/2S/2 of Section 25 and the N/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 516H and the Deep Ellum 25/26 Fed. Com. Well No. 616H, horizontal wells with first take points in the NE/4SE/4 of Section 25 and last take points in the NW/4SE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 12 miles southeast of Loco Hills, New Mexico.
69.	23547	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 618H, horizontal wells with first take points in the SE/4SE/4 of Section 25 and last take points in the SW/4SE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 12 miles southeast of Loco Hills, New Mexico.
70.	23548 [Dismissed]	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the S/2S/2 of Section 25 and the S/2SE/4 of Section 26, Township 18 South, Range 31 East, NMPM. The unit will be dedicated to the Deep Ellum 25/26 Fed. Com. Well No. 518H and the Deep Ellum 25/26 Fed. Com. Well No. 618H, horizontal wells with first take points in the SE/4SE/4 of Section 25 and last take points in the SW/4SE/4 of Section 26. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 12 miles southeast of Loco Hills, New Mexico.
71.	23549 [Continued to June 15, 2023]	Application of MRC Permian Company to Amend Order No. R-21271, as Amended, and Dismiss Order R-21272, Eddy County, New Mexico. Applicant seeks to amend pooling Order No. R-21271, as amended, to incorporate the acreage under Order No. R-21272, and dismiss Order No. R-21272. The units under the existing orders are comprised as follows:  • Order No. R-21271 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 320-acre horizontal well spacing unit

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 19 of 25

		1 490 10 01 20
72.	23550	comprised of the N/2 N/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizonal well spacing unit, based on 40-acre building blocks, is dedicated to the Michael K&B 2122 Fed Com #201H well (API No. 30-015-53688), which was horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 20 to a bottomhole location in the NE/4 NE/4 (Unit A) of Section 22.  • Order No. R-21272 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 320-acre horizontal spacing unit comprised of the S/2 N/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizonal well spacing unit, based on 40-acre building blocks, is dedicated to the Michael K&B 2122 Fed Com #202H well (API No. 30-015-53687), which was horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 20 to a bottomhole location in the SE/4 NE/4 (Unit H) of Section 22.  The Oil Conservation Division has since dedicated these units to a gas pool subject to 320-acre spacing. Thus, Applicant seeks to amend Order No. R-21271, combining the dedicated acreage from the two original units to form a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation (Burton Flat; Wolfcamp, East (gas) [73480]) comprised of the N/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. All other provisions under Order No. R-21271, as amended, are proposed to remain unchanged. This area is located about 13.5 miles northeast of Carlsbad, New Mexico.
72.	23550	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 400-acre, more or less, spacing and proration unit comprised of the S/2 NE/4 of Section 27, and the S/2 N/2 of Sections 26 and 25, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 27-25 Fed Com 722H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25. The 722H Well will be orthodox, and its take points and completed intervals will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.
73.	23551	Application of Nordstrand Engineering, Inc. to Remove Northern Pacific Oil & Gas, Inc. as Operator of Record for the Bull Moose 2 State Com #001H Well: Applicant Nordstrand Engineering, Inc. ("Nordstrand") seeks an order from the Division for unilateral change in operator from Northern Pacific Oil and Gas, Inc., OGRID No. 330352 ("Northern Pacific"), to Applicant, OGRID No. 230757, for the Bull Moose 2 State Com #001H well, API# 30-041-20935 ("Well"), located in the S/2 of Section 2, Township 8 South, Range 37 East, Roosevelt County, New Mexico. Nordstrand is the record title owner of State Oil and Gas Lease No. V0-8065-02, which has been cancelled. Northern Pacific is the operator of record. As operator of record, Northern Pacific is obligated to plug the Well, but is unavailable. Nordstrand intends to plug the Well. In the alternative, Applicant requests that the Division be authorized to plug the Well. The well is located approximately 6.5 miles northwest of Bledsoe, New Mexico.
74.	23552 [Continued to June 15, 2023]	Application of MRC Permian Company to Amend Order No. R-22559, Approve a Non-Standard Spacing Unit, and Dismiss Order No. R-22560, Eddy County, New Mexico. Applicant seeks to amend pooling Order No. R-22559, to incorporate the acreage under Order No. R-22560 to create a non-standard horizontal well spacing unit, and dismiss Order No. R-22560. The units under the existing orders are comprised as follows:  • Order No. R-22559 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard N/2 S/2 of Section 21 and the N/2 SW/4 and NW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizonal well spacing unit, based on 40-acre building blocks, is dedicated to the Michael K&B 2122 Fed Com #203H well (API No. 30-015-53686), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the NW/4 SE/4 (Unit J) of Section 22.  • Order No. R-22560 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 280-acre horizontal spacing unit

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 20 of 25

comprised of the S/2 S/2 of Section 21 and the S/2 SW/4 and SW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizonal well spacing unit, based on 40-acre building blocks, is dedicated to the Michael K&B 2122 Fed Com #204H well (API No. 30-015-53685), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 22.

The Oil Conservation Division has since dedicated the acreage to a gas pool subject to 320-acre spacing. Thus, Applicant seeks to amend Order No. R-22559, combining the dedicated acreage under the two original units to form a non-standard 560-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Approval of the non-standard horizontal well spacing unit is necessary to prevent waste and protect correlative rights. All other provisions under Order No. R-22559 are proposed to remain unchanged. This area is located about 13.5 miles northeast of Carlsbad, New Mexico.

#### **75. 23553**

Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 400-acre, more or less, spacing and proration unit comprised of the N/2 NE/4 of Section 27, and the N/2 N/2 of Sections 26 and 25, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 27-25 Fed Com 621H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 25. The 621H Well will be orthodox, and its take points and completed intervals will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.

#### **76. 23554**

Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico, Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 800-acre, more or less, spacing and proration unit comprised of the NE/4 of Section 27, and the N/2 of Sections 26 and 25, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 27-25 Fed Com 331H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 25. The 331H Well will be orthodox, and its take points and completed intervals will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.

#### 77. 23555 [Continued to August 17, 2023]

Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the N/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Tambora 36-35 Fed Com 331H Well, an oil well, to be horizontally drilled from a surface location in Lot 2 (SW/4 NW/4 equivalent) of Section 31-T20S-R30E to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 35-T20S-R29E. The Tambora 36-35 Fed Com 331H Well, is the proximity well, and proximity tracts will be utilized. The proposed 331H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the Applicant as thereof; actual operating costs and charges for supervision; the designation of the Applicant

# Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 21 of 25

		Page 21 01 25
		Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.
78.	23556 [Continued to August 17, 2023]	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the Tambora 36-35 Fed Com 333H Well, an oil well, to be horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 36 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 35; and the Tambora 36-35 Fed Com 332H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 36 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 35. The Tambora 36-35 Fed Com 333H Well, is the proximity well, and proximity tracts will be utilized. The 333H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules; however, the 332H Well will be unorthodox, and Devon will be applying administratively for approval of the nonstandard location (NSL). Also to be considered will be the cost of drilling and completing the wells and the allocation of the Costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.
79.	23557 [Continued to August 17, 2023]	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the N/2 N/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Tambora 36-35 Fed Com 621H Well, an oil well, to be horizontally drilled from a surface location in Lot 2 (SW/4 NW/4 equivalent) of Section 31-T20S-R30E to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 35-T20S-R29E. The 621H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.
80.	23558 [Continued to August 17, 2023]	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the S/2 N/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Tambora 36-35 Fed Com 622H Well, an oil well, to be horizontally drilled from a surface location in Lot 2 (SW/4 NW/4 equivalent) of Section 31-T20S-R30E to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 35-T20S-R29E. The 622H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line.
81.	23559 [Continued to August 17, 2023]	Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the N/2 S/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral

#### Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 22 of 25

interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Tambora 36-35 Fed Com 623H Well, an oil well, to be horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 36 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 35. The 623H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line. 82. 23560 Application of Devon Energy Production Company, L.P., for a Horizontal Spacing and Proration [Continued to Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above- styled cause August 17, seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal 20231 spacing and proration unit comprised of the S/2 S/2 of Sections 35 and 36, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Tambora 36-35 Fed Com 624H Well, an oil well, to be horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 36 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 35. The 624H Well will be orthodox, and its take points and completed interval will comply with the setback requirements under statewide Rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 57 miles northwest of Jal, New Mexico, and approximate 37 miles north of the state line. 83. 23561 Application of Ridge Runner Resources Operating, LLC To Pool Additional Interests Under Order No. R-21610, Lea County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-21610. Order No R-21610 ("Order") pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the E/2 W/2 of Sections 2 and 11. Township 20 South. Range 35 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Zeus 2-11 Fed Com #2H well ("Well") and designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 16 miles Southwest of Hobbs, New Mexico. 84. 23562 Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. An ownership depth severance exists in the Bone Spring formation within the proposed horizontal well spacing unit. Accordingly, Chevron seeks to pool only a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, the stratigraphic equivalent of the top of the Second Bone Spring formation, as seen at 10.025 feet beneath the surface, to the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 11,713 feet beneath the surface, as shown in that certain Gamma Ray dated August 14th, 2018, in the Striker 2 SWD #001 (API # 30-015-44416), located in Section 23 East, Township 24 South, Range 31 East, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed SND 14 23 Fed Com #429H and SND 14 23 Fed Com #430H wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 23; and the SND 14 23 Fed Com #431H and SND 14 23 Fed Com #432H wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 23. The completed interval of the SND 14 23 Fed Com #430H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. 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,

# Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 23 of 25

		1 age 20 01 20
		designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 21 miles southeast of Loving, New Mexico.
85.	23563	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 400-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 NW/4 of Section 23 and the W/2 W/2 of Sections 14 and 11, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following 2.5-mile wells in the HSU: (1) Oscar 23 11 EDL Fed Com #1H well, to be horizontally drilled from an approximate surface hole location 2110' FNL and 385' FWL of Section 23, T23S-R30E, to an approximate bottom hole location 100' FNL and 330' FWL of Section 11, T23S-R30E; and (2) Oscar 23 11 EDI Fed Com #11H well, to be horizontally drilled from an approximate surface hole location 2110' FNL and 460' FWL of Section 23, T23S-R30E, to an approximate bottom hole location 100' FNL and 990' FWL of Section 11, T23S-R30E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The wells and lands are located approximately 14 miles East of Loving, New Mexico.
86.	23564	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 400-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 NW/4 of Section 23 and the E/2 W/2 of Sections 14 and 11, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following 2.5-mile wells in the HSU: (1) Oscar 23 11 FCL Fed Com #2H well, to be horizontally drilled from an approximate surface hole location 2310' FNL and 1905' FWL of Section 23, T23S-R30E, to an approximate bottom hole location 100' FNL and 1650' FWL of Section 11, T23S-R30E; and (2) Oscar 23 11 FCl Fed Com #12H well, to be horizontally drilled from an approximate surface hole location 2310' FNL and 1980' FWL of Section 23, T23S-R30E, to an approximate bottom hole location 100' FNL and 2310' FWL of Section 11, T23S-R30E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The wells and lands are located approximately 14 miles East of Loving, New Mexico.
87.	23565	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2E/2 of Sections 3 and 10, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Eagle State Com 703H well, to be horizontally drilled. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.
88.	23566	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2E/2 of Sections 3 and 10, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Eagle State Com 303H well, to be horizontally drilled. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.
89.	23567	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Upper Bone Spring pool (WC-025 G-05 S233417N; UP BONE SPRING [98133]), underlying a standard 640-

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 24 of 25

93.	23571	northwest of Jal, New Mexico.  Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 22 and 27, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed ZN 27 22 Fed State Com 602H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 34 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 22. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 18.5 miles northwest of Jal, New Mexico.
92.	23570	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 22 and 27, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed ZN 27 22 Fed State Com 601H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 34 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 18.5 miles
91.	23569	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Lower Bone Spring formation (Antelope Ridge; Bone Spring, West [98133]), underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 22 and 27, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed ZN 27 22 Fed State Com 402H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 34 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 22. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 18.5 miles northwest of Jal, New Mexico.
90.	23568	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Lower Bone Spring formation (Antelope Ridge; Bone Spring, West [98133]), underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 22 and 27, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed ZN 27 22 Fed State Com 401H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 34 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 18.5 miles northwest of Jal, New Mexico.
		acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 22 and 27, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed ZN 27 22 Fed State Com 201H and the ZN 27 22 Fed State Com 202H wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 34 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22; and the ZN 27 22 Fed State Com 203H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 34 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 22. The completed interval of the ZN 27 22 Fed State Com 202H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. 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 Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 18.5 miles northwest of Jal, New Mexico.

## Examiner Hearing - Thursday, June 1, 2023 Docket No. 11-23 Page 25 of 25

	Page 25 of 25		
94.	23426	Application of BTA Oil Producers, LLC to Rescind Approval of Four Applications for Permits to Drill Issued to Texas Standard Operating NM LLC, Lea County, New Mexico. Applicant seeks an order rescinding approval of four Applications for Permits to Drill ("APDs") submitted for Texas Standard Operating NM LLC's State 9-16 No. 1H (API #30-025-51106), State 9-16 State No. 2H (API #30-025-51128), State 9-16 No. 3H (API #30-025-51129), and State 9-16 No. 4H (API #30-025-51130) wells ("Wells"). The Wells are located in the W/2 of Section 16 and the SW/4 of Section 9, Township 17 South, Range 36 East and traverse the N/2 NW/4 of Section 21, Township 17 South, Range 36 East, which is included within Applicant's Vindicator Canyon State Exploratory Unit ("Unit"). The location of the Wells interferes with Applicant's ability to develop the Unit and thereby violates Applicant's correlative rights and result in waste. The Wells are located approximately nine miles south of Lovington, NM.	
95.	23479 [Continued to July 6, 2023]	Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 27 and the E/2 E/2 of Section 34, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Capitan 22301 27-34 State Com #16H well ("Well"), to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 27 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. The completed interval of the Well will be orthodox. 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 is located approximately 2 miles south of Lovington, New Mexico.	
96.	23480 [Continued to July 6, 2023]	Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 27 and the W/2 E/2 of Section 34, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Capitan 22301 27-34 State Com #15H well ("Well"), to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 27, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The completed interval of the Well will be orthodox. 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 is located approximately 2 miles south of Lovington, New Mexico.	
97.	23361 [Continued to July 6, 2023]	Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Texas Standard Operating NM LLC seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a horizontal spacing unit comprised of (i) the W/2E/2 of Section 34, Township 16 South, Range 36 East, N.M.P.M., and (ii) the W/2E/2 of Section 3 and the NW/4NE/4 of Section 10, Township 17 South, Range 36 East, N.M.P.M. The unit will be dedicated to the Bulldog State Well Nos. 1H and 2H, which have first take points in the NW/4NE/4 of Section 34 and last take points in the NW/4NE/4 of Section 10. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 5 miles south of Lovington, New Mexico.	