DOCKET: OIL CONSERVATION DIVISION HEARINGS - Wednesday, May 29, 2024

8:30 a.m. – Pecos Hall, 1220 South St. Francis, Santa Fe, New Mexico 87505 and via MS Teams* Virtual Meeting (login information below)

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

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



Meeting ID: 214 297 722 856

Passcode: Q66whh

Dial in by phone: (505) 312-4308

Phone conference ID: 296 439 855#

-or-

+1505-312-4308,,296439855#

*In the event the MS Teams link is inoperable, the hearing will be conducted via Webex using the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID=mfd9ade2cc3b9d3777459779998bd20a5

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

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

I	Case Number	Description
1.	24141	Application of Apache Corporation for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause
	[Contested	seeks an order (a) approving a non-standard 1280-acre horizontal well spacing unit in the Bone
	Hearing;	Spring formation underlying Sections 11 and 14, Township 19 South, Range 32 East, NMPM, Lea
	Consolidated:	County, New Mexico and (b) pooling all uncommitted interests in this acreage. Applicant seeks to
	24141 & 24254]	initially dedicate the above-referenced horizontal spacing unit to the following proposed wells to be
		drilled from shared surface locations in the S2S2 of Section 14:
		Dustbowl 11-14 Fed Com 101H and Dustbowl 11-14 Fed Com 201H
		wells, with first take points in the SW4SW4 (Unit M) of Section 14 and
		last take points in the NW4NW4 (Unit D) of Section 11;
		Dustbowl 11-14 Fed Com 102H and Dustbowl 11-14 Fed Com 202H
		wells, with first take points in the SE4SW4 (Unit N) of Section 14 and
		last take points in the NE4NW4 (Unit C) of Section 11;
		Dustbowl 11-14 Fed Com 103H and Dustbowl 11-14 Fed Com 203H

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wells, with first take points in the SW4SE4 (Unit O) of Section 14 and last take points in the NW4NE4 (Unit B) of Section 11; and

• Dustbowl 11-14 Fed Com 104H and Dustbowl 11-14 Fed Com 204H wells, with first take points in the SE4SE4 (Unit P) of Section 14 and last take points in the NE4NE4 (Unit A) of Section 11.

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 33 miles west of Hobbs, New Mexico.

2. 24254

[Contested Hearing; Consolidated: 24141 & 242541

Application of Avant Operating, LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico. Avant Operating, LLC ("Applicant") applies for an order: (1) establishing a 1,280-acre, more or less, non-standard horizontal spacing unit comprised of Sections 11 and 14, Township 19 South, Range 32 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Bone Spring formation underlying the Unit. The Unit will be dedicated to the following wells ("Wells"): Grayling 14 Fed Com #305H, Grayling 14 Fed Com #306H, Grayling 14 Fed Com #505H, Grayling 14 Fed Com #506H, Grayling 14 Fed Com #605H, and Grayling 14 Fed Com #606H, which will be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 14 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 11; Grayling 14 Fed Com # 304H, Grayling 14 Fed Com #504H, and Grayling 14 Fed Com #604H, which will be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 14 to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 11; Grayling 14 Fed Com #301H, Grayling 14 Fed Com #501H, Grayling 14 Fed Com #601H, which will be drilled from surface hole locations in the SW/4 SW/4 (Unit M) of Section 14 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 11; Grayling 14 Fed Com # 302H, Grayling 14 Fed Com #502H, and Grayling 14 Fed Com #602H, which will be drilled from surface hole locations in the SE/4 SW/4 (Unit N) of Section 14 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 11; and Grayling 14 Fed Com # 303H, Grayling 14 Fed Com #503H, and Grayling 14 Fed Com #603H, which will be drilled from surface hole locations in the SE/4 SW/4 (Unit N) of Section 14 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 11. 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 33 miles west of Hobbs, New Mexico.

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