

AMENDED DOCKET: EXAMINER HEARING - THURSDAY – MARCH 6, 2014

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

Docket Nos. 08-14 and 09-14 are tentatively set for March 20, 2014 and April 3, 2014. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

Locator Key for Cases***Case 15060 – No. 13******Case 15072 – No. 17******Case 15082 – No. 12******Case 15088 – No. 1******Case 15089 – No. 2******Case 15091 – No. 14******Case 15092 – No. 15******Case 15093 – No. 16******Case 15094 – No. 3******Case 15095 – No. 4******Case 15096 – No. 5******Case 15097 – No. 6******Case 15098 – No. 7******Case 15099 – No. 8******Case 15100 – No. 9******Case 15101 – No. 10******Case 15102 – No. 11***

1. ***CASE 15088: (Continued from the February 20, 2014 Examiner Hearing.)***
Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 22 and the E/2 E/2 of Section 27, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Owl Draw 22/27 AP Fed. Com. Well No. 1H, a horizontal well with a surface location 200 feet from the south line and 600 feet from the east line of adjoining Section 15, and a terminus 330 feet from the south line and 660 feet from the east line of Section 27. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 15 miles south-southeast of Black River Village, New Mexico.
2. ***CASE 15089: (Continued from the February 20, 2014 Examiner Hearing.)***
Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the E/2 of Section 22, Township 26 South, Range 27 East, NMPM. to form a standard 320 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit is to be

dedicated to the Owl Draw 22 BO Fed. Com. Well No. 1H, a horizontal well with a surface location 330 feet from the north line and 1650 feet from the east line, and a terminus 330 feet from the south line and 1980 feet from the east line, of Section 22. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 12-1/2 miles south-southeast of Black River Village, New Mexico.

3. **CASE 15094: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 9, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 E/2 of Section 9 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Salado Draw 9 BO Fed. Com. Well No. 1H, a horizontal well with a surface location 350 feet from the north line and 2150 feet from the east line, and a terminus 350 feet from the south line and 2150 feet from the east line, of Section 9. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 23 miles west of Bennett, New Mexico.
4. **CASE 15095: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 8, Township 22 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 E/2 of Section 8 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the True Grit 8 B3BO Fed. Com. Well No. 1H, a horizontal well with a surface location 402 feet from the north line and 1915 feet from the east line, and a terminus 330 feet from the south line and 1980 feet from the east line, of Section 8. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 11 miles west of Carlsbad, New Mexico.
5. **CASE 15096: Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre spacing and proration unit comprised of the W/2 W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Sebastian Federal Com No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Lot 1) to a standard bottom hole location in the SW/4 SW/4 (Lot 4) of Section 18. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles Northwest of Ochoa, New Mexico.
6. **CASE 15097: Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre spacing and proration unit comprised of the E/2 W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Sebastian Federal Com No. 2H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 18. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost