

DOCKET: EXAMINER HEARING - THURSDAY – APRIL 17, 2014

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

Docket Nos. 13-14 and 14-14 are tentatively set for May 1, 2014 and May 15, 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.

<p><i>Locator Key for Cases</i> <i>Case 15110 – No. 1</i> <i>Case 15111 – No. 2</i> <i>Case 15112 – No. 3</i> <i>Case 15113 – No. 4</i> <i>Case 15114 – No. 5</i> <i>Case 15115 – No. 6</i> <i>Case 15116 – No. 7</i></p>
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1. ***Case 15110: 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 an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 21, 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 W/2 of Section 21 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the El Mar 21 DM Fed. Com. Well No. 1H, a horizontal well with a surface location in the NW/4 NW/4, and a terminus in the SW/4 SW/4, of Section 21. 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 22 miles west-southwest of Bennett, New Mexico.
2. ***CASE 15111: Application of Texland Petroleum, L.P. for Compulsory Pooling, Lea County, New Mexico.*** Texland Petroleum, L.P. seeks an order pooling the mineral interests of Mrs. Catherine Prichard Kaplan, as sole heir of the Estates of John F. Prichard and wife, Edna C. Prichard, both deceased, and as Trustee of the Family Trust of Dr. and Mrs. John F. Prichard in the Shipp Strawn formation underlying an 80 acre spacing unit comprising of the N/2 SW/4 of Section 3, Township 17 South, 37 East, NMPM, Lea County, New Mexico. The unit is to be dedicated to applicant's Simmon's Estate #2 well, to be vertically drilled from wellbore in N/2 SW/4 of Section 3 to the Shipp Strawn formation at the non-standard unorthodox location of the 1650 feet FSL and 970 feet SWL in the Unit L Section 3. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for risk involved in the drilling the well.
3. ***CASE 15112: Application of COG Operating LLC for a non-standard spacing and proration unit, compulsory pooling and a non-standard location, Lea County, New Mexico.*** COG requests a hearing at 8:15 a.m. on April 17, 2014, to consider this application. Applicant seeks an order from the Division: (1) authorizing a non-standard location; (2) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the W/2 W/2 of Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico; and (3) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Tomcat Fee Com. Well No. 1H, to be horizontally drilled. The producing area for this

- well will be 330 feet from the project area boundary. 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 COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles west of Hobbs, New Mexico.
4. **CASE 15113: Notice to all affected parties as well as heirs and devisees of Irene Tallman, Anna Clapp, Ethel Fermstad, Audrey Koski, Rose Gideon, and A.D. Daniston: Application of Reliant Exploration & Production, LLC for compulsory pooling, Harding County, New Mexico.** The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 17, 2014, to consider this application. Applicant seeks an order from the Division pooling all mineral interests in the Tubb formation underlying Section 23, Township 20 North, Range 32 East, NMPM, Harding County, New Mexico, and forming a standard 640-acre gas spacing and proration unit for the Bravo Dome Carbon Dioxide Gas Pool. This proposed spacing and proration unit will be dedicated to Reliant's 23-1-G well (API # 30-021-20578). The completed interval for this well will be within the standard offset required by the rules. 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 Reliant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles northeast of Mosquero, New Mexico.
 5. **CASE 15114: 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 17, Township 19 South, Range 35 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 **Cuatro Hijos Fee 4H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 17. The completed interval for this well will remain within 200 feet of the center of the quarter-quarter sections as required by the Special Rules and Regulations adopted under Division Order R-2589 and as amended by R-2589-C. 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 7.5 miles Southwest of Arkansas Junction, New Mexico.
 6. **CASE 15115: Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy 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 9, Township 19 South, Range 26 East, NMPM, Eddy County and (2) pooling all mineral interests in the Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Stonewall 9 Fee 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 9. 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 1 mile South of Frontier Post, New Mexico.
 7. **CASE 15116: Application Of Alamo Permian Resources, LLC For Approval Of The High Lonesome Queen Unit, Establishment Of A Waterflood Project, And Certification Of The Waterflood Project As An Enhanced Oil Recovery Project Pursuant To The Enhanced Oil Recovery Act, Eddy County, New Mexico.** Applicant seeks an order approving (1) unitization of the High Lonesome Queen Unit Area, (2) a corresponding waterflood project for the unit area, and (3) certification of the waterflood project as an enhanced oil recovery project. The project area consists of state lands comprising all of Section 16 and the NW/4 SW/4 of Section 15, Township 16 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. Any further information about this Application can be obtained from Alamo representative: Tyler Woodruff, 415 W. Wall Street, Suite 500, Midland, Texas 79701, twoodruff@alamoresources.com, (713) 224-2500.