

Examiner Hearing – June 25, 2015
Docket No. 18-15
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Indian allotted lands located in in all or parts of the following sections in Rio Arriba and San Juan Counties, New Mexico:

- Section 18 of T-23-N, R-7-W;
- Sections 11-14, 21-23, 26-28, and 33-25 of T-23-N, R-8-W; and
- Sections 3-10 of T-22-N, R-8-W.

The unitized interval includes all formations from one one-hundred (100) feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone Formation. This acreage is located approximately 4 miles southwest of Nageezi, New Mexico.

15. Case No. 15335: Application Of Encana Oil & Gas (USA) Inc. To Amend Order R-13931 To Expand The Blanco Wash Federal/Allotted Indian/Fee Exploratory Unit And The Corresponding Blanco Wash Unit Hz Oil Pool, San Juan County, New Mexico. Applicant seeks to amend Order R-13931 to (1) expand the geographic area of the Blanco Wash Federal/Allotted Indian/Fee Exploratory Unit approved under Division Order R-13931; and (2) expand the corresponding Blanco Wash Unit HZ Oil Pool created by that Order to allow horizontal wells to be located anywhere within the expanded Unit so long as the completed interval is no closer than 330 feet from the outer boundary of the Unit. The proposed expanded Unit Area will consist of approximately 13,128 acres of Federal, Indian Allotted, State and fee lands located in in all or parts of the following sections in San Juan County, New Mexico:

- Sections 6-7, 18-19 of T-24-N, R-8-W; and
- Sections 1-2, 4-5, 8-17, 20-24 of T-24-N, R-9-W.

The unitized interval includes all formations from one one-hundred (100) feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone Formation. This acreage is located approximately 4 miles northwest of Nageezi, New Mexico.

16. Case No. 15336: Application Of Encana Oil & Gas (USA) Inc. To Amend Order R-13856 To Expand The Nageezi Federal/State/Allotted Indian/Fee Exploratory Unit And The Corresponding Nageezi Unit Hz Oil Pool, San Juan County, New Mexico. Applicant seeks to amend Order R-13856 to (1) expand the geographic area of the Nageezi Federal/Allotted Indian/State/Fee Exploratory Unit by two sections of land, and (2) expand the corresponding Nageezi Unit Hz Oil Pool (47540) created by that Order to allow horizontal wells to be located anywhere within the Unit so long as the completed interval is no closer than 330 feet from the outer boundary of the expanded Nageezi Unit area. The proposed expanded Unit Area will consist of approximately 10,415 acres of Federal, Indian Allotted, State and fee lands located in in all or parts of the following sections in San Juan County, New Mexico:

- Sections 1-5, 9-11 of T-23-N, R-9-W; and
- Sections 21-23, 25-28, 33-36 of T-24-N, R-9-W.

The unitized interval includes all formations from one one-hundred (100) feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone Formation. This acreage is located approximately 1 mile southwest of Nageezi, New Mexico.

17. Case No. 15337: Application Of Encana Oil & Gas (USA) Inc. For Approval Of The Venado Canyon Unit, Sandoval County, New Mexico. Applicant seeks approval of its Venado Canyon Unit consisting of approximately 4,320 acres of the following Federal and fee lands in Sandoval County:

TOWNSHIP 22 NORTH, RANGE 6 WEST

- Section 1: S/2
- Section 10: NE/4, S/2
- Section 11: All
- Section 12: All
- Section 13: All
- Section 14: All
- Section 15: N/2, SW/4
- Section 23: W/2
- Section 24: NE/4

The unitized interval is the Mancos formation defined as 100 feet below the stratigraphic equivalent of the top of the Mancos Shale (base of Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone as shown in the Double Ought No. 1 Well (30-043-20089) located in Unit N of Section 12, Township 22 North, Range 6 West, N.M.P.M. The subject acreage is located approximately 4 miles southeast of Counselor, New Mexico.

18. Case No. 15338: Application Of WPX Energy Production, LLC For Approval Of The North Escavada Unit; Creation Of A New Pool For Horizontal Development Within The Unit Area, And For Allowance Of 330 Foot Setbacks From The Exterior Of The Proposed Unit, Sandoval County, New Mexico. Applicant seeks approval of its North Escavada Unit consisting of approximately 4,480 acres of Federal and Allotted Indian lands situated in all or parts of the S/2 of Section 3, the S/2 of Section 4, the SE/4 of Section 5, the NE/4 of Section 8, all of Sections 9, 10, 11, and 12, the N/2 of Section 13, the N/2 of Section 14, and the N/2 of Section 15, Township 22 North, Range 7 West, Sandoval County, New Mexico. The unitized interval includes the Mancos formation at a depth of 3,715' down to the stratigraphic equivalent of the base of the Greenhorn formation at a depth of 5,575' as encountered in the Sandoval 22-7 No. 1-23 well in Section 23, Township 22 North, Range 7 West, N.M.P.M. (API No. 30-043-

05150). In addition, Applicant seeks an order creating a new pool within the unitized interval for horizontal well development that will allow for wells to be located anywhere within the proposed Unit Area so long as the completed interval is no closer than 330 feet from the outer boundary of the proposed Unit. The subject acreage is located approximately 4.5 miles South of Lybrook, New Mexico.

19. Case No. 15316: (Continued from the June 11, 2015 Examiner Hearing.)

Application of Apache Corporation for approval of a Project Area encompassing communitized lands in T. 17S, R. 31E, N.M.P.M., Eddy County, New Mexico, and the approval of surface commingling and the establishment of a new pool for the communitized project area. Applicant in the above-styled cause seeks an order (1) approving a project area created under a federal communitization agreement covering approximately 5051.36 acres, which consists of Sections 3, 4, 5, 6, 7, 8, 9, and 10 in Township 17 South, Range 31 East, Eddy County, New Mexico, (2) authorizing wells to be located anywhere within the proposed project area so long as the completed interval is no closer than the setback requirements for the proposed project area, (3) establishing a new pool within the communitized area and contracting the boundary of the Fren-Gloricta Yeso Pool (26770), and (4) allowing surface commingling within the proposed project area. The subject acreage is located approximately 5 miles east of Loco Hills.

20. Case No. 15319: (Continued from the June 11, 2015 Examiner Hearing.)

Application of Anschutz Oil Company, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Rio Arriba County, New Mexico. Anschutz Oil Company, LLC seeks an order approving a 640 acre non-standard oil spacing and proration unit in the Dakota formation (Gavilan Greenhorn-Graneros-Dakota Pool) comprised of All of Section 24, Township 24 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and pooling all interests in the Mancos formation and Dakota formation underlying Section 24. Applicant proposes to drill its **Ponderosa Well No. 1**, to a depth sufficient to test the Dakota formation, at a location 2004 feet from the north line and 900 feet from the east line of Section 24. 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 Anschutz Exploration Corporation as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1 mile southeast of Lindrith, New Mexico.

21. Case No. 15303: (Continued from the June 11, 2015 Examiner Hearing.)

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, 240-acre, more or less, spacing and proration unit comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 of Section 5 and the E/2 NE/4 of Section 8, Township 20 South, Range 30 East, NMPM, Eddy 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 **Solution Federal Com 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) of Section 5 to a standard bottom hole location in the SE/4 NE/4 (Unit H) of Section 8. 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 20 miles northeast of Carlsbad, NM.

22. Case No. 15304: (Continued from the June 11, 2015 Examiner Hearing.)

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, 240-acre, more or less, spacing and proration unit comprised of Lot 3, SE/4 NW/4 and E/2 SW/4 of Section 5 and the E/2 NW/4 of Section 8, Township 20 South, Range 30 East, N.M.P.M., Eddy County, New Mexico 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 **Solution Federal Com 3H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Lot 3) of Section 5 to a standard bottom hole location in the SW/4 NW/4 (Unit F) of Section 8. 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 20 miles northeast of Carlsbad, NM.