

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 6, 2015

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

Docket Nos. 24-15 and 25-15 are tentatively set for August 20, 2015 and September 3, 2015. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC 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 15307 - No. 7
Case 15343 - No. 1
Case 15344 - No. 6
Case 15345 - No. 5
Case 15348 - No. 4
Case 15355 - No. 2
Case 15356 - No. 3

1. Case No. 15343: (Continued from the July 9, 2015 Examiner Hearing.)

Application of LRE Operating, LLC for approval of a pilot water flood project, Eddy County, New Mexico. Applicant seeks an order approving a pilot water flood project in the NE/4 and SW/4 of Section 32, Township 17 South, Range 28 East, N.M.P.M., in Eddy County. Applicant proposes to inject into the San Andres zone of the Artesia Queen-Grayburg-San Andres Pool at depths between 2,400 and 3,300 feet subsurface. The proposed pilot water flood project is located 15 miles east of Artesia, New Mexico.

2. Case No. 15355: *Application of WPX Energy Production, LLC For Approval Of An Unorthodox Location, Rio Arriba County, New Mexico.* Applicant seek an order authorizing an unorthodox well location for its **NE Chaco Com Well No. 255H** (API No. 30-039-31291), a horizontal well drilled within the Northeast Chaco Horizontal Well Project Area approved under Division Order R-13817. This area is subject to the Northeast Chaco Unit HZ Oil Pool (Pool Code 98088) created under Division Order R-13817-A which requires the completed interval to be at least 330 feet from the outer boundary of the Project Area. The subject well has been drilled from a surface location 1305 from the south line and 240 feet from the west line of Section 5 to a bottom hole location 325 feet from the north line and 231 feet from the east line of Section 8 in Township 23 North, Range 6 West, NMPM. The completed interval for this well was mistakenly perforated in Unit A of Section 8 at a point 293 feet from the eastern boundary of the Northeast Chaco Horizontal Well Project Area, thereby encroaching on the spacing unit to the east by 37 feet. This area is located approximately 41 miles southeast of Bloomfield, New Mexico.

3. Case No. 15356: *Application of WPX Energy Production, LLC For Approval Of The West Lybrook 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, San Juan County New Mexico.* Applicant seeks approval of its West Lybrook Unit consisting of approximately 12,807.24 acres of Federal and Allotted Indian lands situated in all or parts of Sections 6-8 and 17-19 of Township 23 North, Range 8 West and Sections 11-15, 21-28, and 33-35 of Township 23 North, Range 9 West, N.M.P.M., San Juan County, New Mexico. The unitized interval is the stratigraphic equivalent of the Mancos formation defined at a measured depth of 3,815' down to the base of the Greenhorn Limestone formation at a measured depth of 5,593' as encountered in the Davis Oil Company Chaco #6 well in Section 12, Township 23 North, Range 9 West, N.M.P.M. (API No. 30-045-05082). In addition, Applicant seeks an order creating a new pool within the unitized interval that will allow horizontal 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 1 mile South of Nageezi, New Mexico.

4. Case No. 15348: (Continued from the July 23, 2015 Examiner Hearing.)

Application Of WPX Energy Production, LLC For Approval Of The West 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 West Escavada Unit consisting of approximately 1,926.42 acres of Federal and Allotted Indian lands situated in all or parts of the S/2 of Section 7, the S/2 of Section 8, and all of Sections 17 and 18, Township 22 North, Range 7 West, Sandoval County, New Mexico. The unitized interval includes the Mancos formation at a depth of 3,858 feet down to the stratigraphic equivalent of the base of the Greenhorn formation at a depth of 5,695 feet as encountered in the