

Examiner Hearing – March 31, 2016
Docket No. 12-16
Page 4 of 11

Eddy County, New Mexico

Applicant proposes to reconfigure the well at the above location and utilize it for injection of produced water at depths of 2,780' to 4,900' subsurface. The well is located approximately 5.5 miles Southeast of Loving, New Mexico.

15. Case No. 15448: (Continued from the March 17, 2016 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 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 28, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2 S/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Frio 28 B2LI Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NW/4 SW/4, and a terminus in the NE/4 SE/4, of Section 28. 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 9 miles southwest of Loco Hills, New Mexico.

16. Case No. 15449: (Continued from the March 17, 2016 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 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 S/2 of Section 28, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 S/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pavo Frio 28 B2MP Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the SE/4 SE/4, of Section 28. 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 9-1/2 miles southwest of Loco Hills, New Mexico.

17. Case No. 15473: Application of BTA Oil Producers, LLC for an Order Directing Cimarex Energy Company to Shut-In Its Over-Produced Oil Wells in the Berry; Bone Spring North Pool, Assessing Production Penalties for the Over-Production, and Ordering Compliance with the Division's Oil Proration Rules for the Berry; Bone Spring, North Pool, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) directing Cimarex Energy Company of Colorado ("Cimarex") to shut-in its over-produced oil wells completed in the Berry; Bone Spring, North Pool underlying the S/2 S/2 of Section 30, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico; (2) assessing production penalties to curtail future over-production and to compensate for all past over-production from said wells; and (3) directing Cimarex to comply with the Division's oil proration rules for the Berry; Bone Spring North Pool and NMRA 19.15.20.9-12. Said wells are located approximately 16 miles southwest of Monument, New Mexico.

18. Case No. 15456: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Tiger 14-24S-28E RB #203H well located in the S/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.** The Tiger 14-24S-28E RB #203H will be horizontally drilled to produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). The producing area for this well will be unorthodox, located less than 660 feet from the project area boundary. The first perforation point for this well will be located 1638 feet from the South line and 330 feet from the East line of Section 14, Township 24 South, Range 28 East; and the last perforation point will be located 2301 feet from the South line and 330 feet from the West line of Section 14. The **Tiger 14-24S-28E RB #203H well** is located approximately 6 miles southeast of Loving, New Mexico.

19. Case No. 15457: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Tiger 14-24S-28E RB #207H well located in the S/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.** The Tiger 14-24S-28E RB #207H will be horizontally drilled to produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). The producing area for this well will be unorthodox, located less than 660 feet from the project area boundary. The first perforation point for this well will be located 1650 feet from the South line and 330 feet from the East line of Section 14, Township 24 South, Range 28 East; and the last perforation point will be located 1650 feet from the South line and 330 feet from the West line of Section 14. The **Tiger 14-24S-28E RB #207H well** is located approximately 6 miles southeast of Loving, New Mexico.

20. Case No. 15458: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Tiger 14-24S-28E RB #223H well located in the S/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.** The Tiger 14-24S-28E RB #223H will be horizontally

drilled to produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). The first perforation point for this well will be located 2309 feet from the South line and 330 feet from the East line of Section 14, Township 24 South, Range 28 East; and the last perforation point will be located 2301 feet from the South line and 330 feet from the West line of Section 14. The Tiger 14-24S-28E RB #223H well is located approximately 6 miles southeast of Loving, New Mexico.

21. Case No. 15459: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Tiger 14-24S-28E RB #227H well** located in the S/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Tiger 14-24S-28E RB #227H will be horizontally drilled to produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). The first perforation point for this well will be located 1650 feet from the South line and 330 feet from the East line of Section 14, Township 24 South, Range 28 East; and the last perforation point will be located 1650 feet from the South line and 330 feet from the West line of Section 14. The Tiger 14-24S-28E RB #227H well is located approximately 6 miles southeast of Loving, New Mexico.

22. Case No. 15460: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Janie Conner 13-24S-28E RB #207H well** located in the S/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Janie Conner 13-24S-28E RB #207H will be horizontally drilled to produce from the Northwest Pierce Crossing-Wolfcamp Gas Pool (Pool Code 96712). The first perforation point for this well will be located 1650 feet from the South line and 330 feet from the West line of Section 13, Township 24 South, Range 28 East; and the last perforation point will be located 1650 feet from the South line and 330 feet from the East line of Section 13. The Janie Conner 13-24S-28E RB #207H well is located approximately 17 miles southeast of Carlsbad, New Mexico.

23. Case No. 15461: (Continued from the March 17, 2016 Examiner Hearing.)

Application of Matador Production Company for a non-standard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its **Janie Conner 13-24S-28E RB #226H well** located in the N/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Janie Conner 13-24S-28E RB #226H will be horizontally drilled to produce from the Northwest Pierce Crossing-Wolfcamp Gas Pool (Pool Code 96712). The first perforation point for this well will be located 2309 feet from the North line and 330 feet from the West line of Section 13, Township 24 South, Range 28 East; and the last perforation point will be located 2310 feet from the North line and 330 feet from the East line of Section 13. The Janie Conner 13-24S-28E RB #226H well is located approximately 17 miles southeast of Carlsbad, New Mexico.

24. Case No. 15474: In the matter of the hearing of the Oil Conservation Division upon its own motion for an order contracting, extending, and abolishing certain pools in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

Horizontal Limits Contraction

- a) CONTRACT the horizontal limits of the AZTEC PICTURED CLIFFS GAS POOL [71280] in San Juan County, New Mexico by deleting:
TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 11: SE/4
TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 2: E/2
Section 11: NE/4
- b) CONTRACT the horizontal limits of the BALLARD PICTURED CLIFFS GAS POOL [71439] in Sandoval and Rio Arriba Counties, New Mexico by deleting:
TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM
Section 31: SE/4
TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Section 28: SE/4
- c) CONTRACT the horizontal limits of the BLANCO PICTURED CLIFFS GAS POOL [72359] in San Juan and Rio Arriba Counties, New Mexico by deleting:
TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 22: W/2
- d) CONTRACT the horizontal limits of the HARPER HILL FRUITLAND SAND-PICTURED CLIFFS GAS POOL [78160] in San Juan County, New Mexico by deleting:
TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 3: NW/4
TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM
Section 28: E/2
- e) CONTRACT the horizontal limits of the SOUTH BLANCO PICTURED CLIFFS GAS POOL [72439] in Sandoval and Rio Arriba Counties, New Mexico by deleting: