

Examiner Hearing – April 14, 2016

Docket No. 15-16

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Applicant proposes to convert the well at the above location and utilize it for injection of produced water at depths of 3,800' to 4,600' subsurface. The well is located approximately one-half mile North of Malaga, New Mexico.

13. Case No. 15470: (Continued from the March 31, 2016 Examiner Hearing.)

Application Of Encana Oil & Gas (USA) Inc. For Approval Of The Corrales Canyon Unit, Sandoval County, New Mexico. Applicant seeks approval of its Corrales Canyon Unit consisting of 2,560 acres, more or less, of Federal and State lands situated in all or parts of Sections 24-26 and 35-36 of Township 22 North, Range 6 West, N.M.P.M., Sandoval County, New Mexico. The unitized interval is the stratigraphic equivalent of the interval described as the Mancos Shale Group, including the genetically related rocks from 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 (top of the Graneros Shale) as shown in the **Navajo Allotted #1 well** (API #30-043-20138) located in the SE/4 SE/4 of Section 28, Township 22 North Range 6 West, Sandoval County, New Mexico, extending from 3,945' to 5,682' (measured depth). The subject acreage is located approximately 7 miles south of Counselor, New Mexico.

14. Case No. 15471: (Continued from the March 31, 2016 Examiner Hearing.)

Application Of Encana Oil & Gas (USA) Inc. For Approval Of The Ponderosa 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 Ponderosa Unit consisting of 19,839 acres, more or less, of Federal, State, and Indian Allotted lands situated in all or parts of Sections 5-8 of Township 23 North, Range 9 West, N.M.P.M., all or parts of Sections 1-14 and 17-20 of Township 23 North, Range 10 West, all or parts of Sections 1, Section 11-15, and Section 22-24 of Township 23 North, Range 11 West, N.M.P.M., all or parts of Section 31, Township 24 North, Range 9 West, N.M.P.M., and all of Section 36, Township 24 North, Range 11 West, N.M.P.M., San Juan County, New Mexico. The unitized interval is the stratigraphic equivalent of the interval described as the Mancos Shale Group, including the genetically related rocks from 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 (top of the Graneros Shale) as shown in the **Kimbeto R G-Federal 1 well** (API # 3004525087) well in Section 8, Township 23, North, Range 10 West, N.M.P.M., extending from 3,450' to 5,155' (measured depth). In addition, Applicant seeks an order creating a new pool for the unitized interval underlying the proposed Unit Area that will allow for 330 foot setbacks from the exterior of the proposed Unit. The subject acreage is located approximately 10 miles west of Nageezi, New Mexico.

15. Case No. 15333 (re-opened): (Continued from the March 31, 2016 Examiner Hearing.)

Application of COG Operating LLC To Re-Open Case No. 15333 To Amend Order R-14010, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14010 (1) to reflect the revised pool designated by the Division; (2) to pool the uncommitted interest owners within the WC-025 G-09 S243532M; Wolfbone Pool. The spacing unit consists of the W/2 E/2 of Section 6 and the W/2 NE/4 of Section 7, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Said unit is dedicated to the applicant's **Stove Pipe Federal Com Well No. 2H** (API No. 30-015-42926), which was drilled at a surface location 225 feet from the North line, 1905 feet from the East line (Lot 2) of Section 6 to a standard bottom hole location 2310 feet from the North line, 1980 feet from the East line (Unit G) of Section 7, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. The completed interval is within the standard 330 foot setback required by the Division's rules. The subject area is located approximately 13 mile northwest of Jal, New Mexico.

16. Case No. 15463: (Continued from the March 31, 2016 Examiner Hearing.)

Application of Mesquite SWD, Inc. for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water into the Cherry Canyon Member of the Delaware Mountain Group at depths of 6390-7660 feet subsurface in the proposed **Lobo SWD Well No. 1**, to be located 651 feet from the south line and 2506 feet from the east line of Section 18, Township 24 South, Range 34 East, NMPM. The well is located approximately 19-1/2 miles west-northwest of Jal, New Mexico.

17. Case No. 15464: (Continued from the March 31, 2016 Examiner Hearing.)

Application of Mesquite SWD, Inc. for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water into the Cherry Canyon Member of the Delaware Mountain Group at depths of 6450-7464 feet subsurface in the existing **Government M Well No. 1**, to be re-entered and re-named the **Superior SWD Well No. 1**, located 1980 feet from the south and west lines of Section 17, Township 24 South, Range 34 East, NMPM. The well is located approximately 19 miles west-northwest of Jal, New Mexico.

18. Case No. 15452: (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, 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 Wolfcamp formation comprised of the E/2 W/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the E/2 W/2 of Section 15 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Pepper Ridge 15 W1CN Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 15. Also