Examiner Hearing – April 28, 2016 Docket No. 16-16 Page 2 of 3

4. <u>Case No. 15468</u>: (Continued from the March 31, 2016 Examiner Hearing.)

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, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 9. Township 24 South, Range 34 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 **Picasso Federal Com No. 1H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the NE/4 NE/4 (Unit A) of Section 9. The completed interval for this well will also 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 16 miles northwest of Jal, NM.

5. <u>Case No. 15485</u>: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 160-acre non-standard oil spacing and proration unit (project area) comprised of the W/2 W/2 of Section 21, Township 25 South, Range 35E, NMPM, in Lea County, and (ii) pooling all mineral interests in the Delaware formation underlying this acreage. The project area is to be dedicated to applicant's Coachman Fee Com #14H well, which will be horizontally drilled from a surface location in Unit D of Section 21, Township 25 South, Range 35 East to a bottom hole location in Unit M of Section 21, Township 25 South, Range 35 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately six miles southeast of Ochoa, New Mexico.

6. <u>Case No. 11465 and 11466</u> (re-opened): Application of Aspen Operating Co., L.L.C. to reopen Case Nos. 11465 and 11466 to Amend the Vertical Depths of the Lewis Unit and for the Approval of an 80 Acre Proration Unit for the Lewis Unit No. 1 Well, in the SW/4 SW/4 of Section 3 and the SE/4 SE/4 of Section 4, Township 10 South, Range 36 East, N.M.P.M., Lea County, New Mexico. Applicant seeks to amend the vertical depths of the Lewis Unit consisting of approximately 80 acres of state lands situated in the SW/4 SW/4 of Section 3 and the SE/4 SE/4 of Section 4, Township 10 South, Range 36 East, N.M.P.M., Lea County, New Mexico. The amended unitized interval for the Lewis Unit will be from the top of the Glorieta formation, the correlative interval of which is identified in the logged depths of 5,643 feet, defined in the Borehole Compensated Sonic/Gamma Ray log formulated by Schlumberger on the Gainer 22 #1 well (API: 30-025-38792), located in Section 22, Township 10 South, Range 36 East, Lea County, NM, down to the base of the Devonian formation, the correlative interval of which is identified in the logged depths of 12,513 feet, defined in the Acoustic Velocity log formulated by Welex on the T&P State #1 well (API: 30-025-20006), located in Section 10, Township 10 South, Range 36 East, Lea County, New Mexico. In addition, Applicant seeks approval of an 80 acre proration unit for its Lewis Unit No. 1 well. The subject acreage is located approximately 5.8 miles Southeast of Crossroads, New Mexico.

7. <u>Case No. 15448</u>: (Continued from the March 31, 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.

8. <u>Case No. 15449</u>: (Continued from the March 31, 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.