

Examiner Hearing – May 12, 2016
Docket No. 19-16
Page 3 of 3

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.

10. Case No. 15452: (Continued from the April 14, 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 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 21 miles west of Bennett, New Mexico.

11. Case No. 15453: (Continued from the April 14, 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 Bone Spring 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 Bone Spring 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 B2CN Fed. Com. Well No. 3H**, 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 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 21 miles west of Bennett, New Mexico.

12. Case No. 15454: (Continued from the April 14, 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 Bone Spring 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 Bone Spring 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 A3CN Fed. Com. Well No. 1H**, 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 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 21 miles west of Bennett, New Mexico.

13. Case No. 15455: (Continued from the April 14, 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 Bone Spring formation comprised of the E/2 E/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/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 B2AP Fed. Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 15. 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 20-1/2 miles west of Bennett, New Mexico.

14. Case No. 15473: (Continued from the April 28, 2016 Examiner Hearing.)

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.