Agenda No. 11-25

# FINAL AGENDA STATE OF NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO JULY 17, 2025 9:00 A.M.

The State of New Mexico Oil Conservation Commission meeting will be held in a hybrid format with both in-person and virtual participation options as set forth below. The meeting will be held in Pecos Hall, First Floor, Wendell Chino Building, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505.

The Commission's public meeting may also be accessed by using the following link and/or meeting information:

Thursday, July 17, 2025, 9:00 AM | 8 hours | (UTC-07:00) Mountain Time (US & Canada)

Persons may view and participate in the hearings through the following link:

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The meeting is also accessible at the following web address: https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting

Meeting ID: 214 300 774 476

Passcode: cHszqr

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If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Sheila Apodaca at (505) 699-8358 or through the New Mexico Relay Network at 1-800-659-1779. Public documents can be provided in various accessible formats. A preliminary agenda will be available to the public no later than two weeks prior. A final agenda will be available no later than 72 hours preceding the meeting. Members of the public may obtain copies of the agenda by contacting Ms. Apodaca or by visiting the Oil Conservation Division website at <a href="https://www.emnrd.nm.gov/ocd/occ-info/">www.emnrd.nm.gov/ocd/occ-info/</a>.

### The following items are for discussion and possible action:

- 1. Roll Call
- **2.** Approval of the July 17, 2025 Agenda
- **3.** Approval of the June 24, 2025 Meeting Minutes
- 4. Pending cases:

# A. <u>Case No. 25460: Application by Coterra Energy Operating Co. for Hearing De Novo of Division Case No. 24472, Order No. R-23808, Lea County, New Mexico.</u>

Coterra Energy Operating Co. requests a hearing de novo before the full Oil Conservation Commission to review the matter and proceedings involving Case No. 24472, concerning Franklin Mountain Energy 3, LLC's Application for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico, with regard to mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 703H and Treble State Com 803H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the well is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Wolfcamp spacing unit dedicated to a 40-acre vertical spacing unit comprised of the SW/4 NE/4 (Unit G) of Section 27, dedicated to North Fork Operating, LP's Toro 27 #005H well (API 30-025-35425). Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles southwest of Hobbs, New Mexico

> Status Conference.

# B. <u>Case No. 25297</u>: Application of XTO Permian Operating LLC for exceptions to the well casing program requirement under Order No. R-111-Q, Eddy County, New Mexico.

Application of XTO Permian Operating LLC for approval of exceptions to the well casing program requirements provided under Order No. R-111-Q for three wells: (1) the James Ranch Unit DI 7 Sawtooth #116H (API No. 30-015-54882); (2) James Ranch Unit DI 7 Sawtooth Federal C #117H (API No. 30-015-54883); and (3) James Ranch Unit DI 7 Sawtooth #708H (API No. 30-015-54960)

**Evidentiary Hearing.** 

#### **Attorneys:**

XTO Permian Operating, LLC

Holland and Hart Adam Rankin [agrankin@hollandhart.com] Michael Feldewert [mhfeldewert@hollandhart.com] Paula Vance [pmvance@hollandhart.com] (505) 988-4421 (P); (505) 983-6043 (F) PO Box 2208, Santa Fe, NM 87504-2208

#### Oil Conservation Division

Jesse Tremaine [jessek.tremaine@emnrd.nm.gov] (505) 231-9412 Chris Moander [chris.moander@emnrd.nm.gov] (505) 709-5687 1220 St. St. Francis Drive, Santa Fe, NM 87505 C. <u>Case No. 25237</u>: DeNovo Appeal by American Energy Resources, LLC, of Order No. R-23405, Division Case No 24517, concerning an application covering Well Nos. Roche 101H, 102H and 103H, Sections 2 and 11, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

Matter to be heard by the Commission: Evidentiary Hearing, Rescheduled from June 24, 2025

# **Counsel of Record:**

American Energy Resources, Applicant
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- 5. Pending Litigation
- 6. Other Business
- 7. Next Meeting August 14, 2025
- 8. Adjourn