From: <u>Jones, William V, EMNRD</u>

To: "Michael Feldewert"; Brooks, David K, EMNRD; Lowe, Leonard, EMNRD; McMillan, Michael, EMNRD

Cc: Adam Rankin

 Subject:
 RE: Oxy Cases 16058 and 16059 (Corral Fly 35-26 wells)

 Date:
 Tuesday, May 8, 2018 12:09:00 PM

Attachments: image001.png

Thank You!

I will proceed with the two Bone Spring hearing cases.

I assume someone with Matador will formally withdraw its protest of the NSL – by communication with Leonard. (RE: Leonard has informed me that Matador protested the proposed NSL for the Corral Fly 35 26 Federal Com Well No. 22H (30-015-44703) about 3 weeks ago and he canceled the application.)

From: Michael Feldewert < MFeldewert@hollandhart.com>

Sent: Monday, May 7, 2018 11:58 AM

To: Jones, William V, EMNRD < William V. Jones@state.nm.us>; Brooks, David K, EMNRD

<DavidK.Brooks@state.nm.us>

Cc: Adam Rankin < AGRankin@hollandhart.com>

Subject: Oxy Cases 16058 and 16059 (Corral Fly 35-26 wells)

Will: Matador has executed a JOA that spreads Matador's interests across the entire W/2 of Sections 35 & 26, T24S-R29E. As a result, Matador is removing their NSL protest and no longer needs to be pooled. The only parties remaining to be pooled are COG and Legacy, which have an interest in all three wells.

Oxy therefore would like to proceed as requested at the hearing, with Case No. 16058 creating a 320-acre spacing unit comprised of the W/2 W/2 of Sections 35 and 26 for the proposed 21H well, and Case No. 16059 creating a 320-acre spacing unit comprised of the E/2 W/2 of Sections 35 and 26 for the 22H and 23H wells. Let us know if you need anything else on these matters.

Michael H. Feldewert Santa Fe Office 505-988-4421 505-983-6043 (fax) mfeldewert@hollandhart.com



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From: Jones, William V, EMNRD [mailto:WilliamV.Jones@state.nm.us]

Sent: Monday, April 30, 2018 1:04 PM

To: Adam Rankin <<u>AGRankin@hollandhart.com</u>>
Subject: FW: Cases 16059 and 16058 OXY

Hi Adam,

I know you are busy...and this is Michael's case.

Jeremy Murphrey from OXY is the Landman on this issue.

http://ocdimage.emnrd.state.nm.us/Imaging/FileStore/santafeadmin/cf/20180426/16058 04 26 2018 02 55 54.pdf

Tomorrow may be the deadline for new cases for May 31st?

Thanks, Will

From: Jones, William V, EMNRD

Sent: Monday, April 30, 2018 11:33 AM

To: Michael Feldewert (<u>MFeldewert@hollandhart.com</u>) < <u>MFeldewert@hollandhart.com</u>>

Cc: 'Adam Rankin' <<u>AGRankin@hollandhart.com</u>>; Brooks, David K, EMNRD <<u>DavidK.Brooks@state.nm.us</u>>

Subject: Cases 16059 and 16058 OXY

Hello Michael,

These cases were heard April 5th and were uncontested.

I am writing to see if OXY wants to dismiss these two cases and bring one case covering the W/2 for drilling the three planned Bone Spring wells.

Reasoning as follows:

The NWNW of Section 26 was an unleased federal tract.

At the hearing, the Landman for OXY said that Matador picked up the tract at the sale and OXY was working with Matador.

The application in Case 16058 asked for An Alternative spacing unit but at the hearing the testimony was that it was no longer needed because Matador picked up the NWNW and OXY would be signing or pooling Matador.

But that made the acreage in the W/2 diversely owned (W2W2 now differs from E2W2).

In Case 15059 which case covers the E2W2, the well that is planned near the west side of that spacing unit is at a non-standard location and needs an exception.

Leonard has informed me that Matador protested the proposed NSL for the Corral Fly 35 26 Federal Com Well No. 22H (30-015-44703) about 3 weeks ago and he canceled the application.

I will hold out on releasing these until you let me know,

Thanks Much, Will

William V. Jones, P.E.

New Mexico Oil Conservation Division
Engineering and District IV – Santa Fe
505-419-1995 work cell
http://www.emnrd.state.nm.us/OCD/about.html