

DOCKET: EXAMINER HEARING - THURSDAY – JULY 24, 2014

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 24-14 and 25-14 are tentatively set for August 7, 2014 and August 21, 2014. Applications for hearing must be filed at least 30 days in advance of hearing date. . OCD Rule 19.15.4.13.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

Locator Key for Cases

***Case 14861 – No. 5
Case 15152 – No. 17
Case 15161 – No. 18
Case 15162 – No. 19
Case 15163 – No. 2
Case 15164 – No. 3
Case 15165 – No. 4
Case 15168 – No. 8
Case 15169 – No. 9
Case 15170 – No. 10
Case 15171 – No. 11
Case 15172 – No. 1
Case 15173 – No. 6
Case 15174 – No. 7
Case 15175 – No. 12
Case 15176 – No. 13
Case 15177 – No. 14
Case 15178 – No. 15
Case 15179 – No. 16***

1. CASE 15172: In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon it's own motion for an order creating a new Mancos oil pool for horizontal well development solely within the WPX Project Area as defined in Case No. 15102, Order No. R-13817, in Sandoval and Rio Arriba Counties, New Mexico, (hereby the "Northeast Chaco Horizontal Well Oil Pool") and giving notice to all persons and parties interested in the subject matter thereof to show cause why such a "Northeast Chaco Horizontal Well Oil Pool" should not be made.

(a) CREATE a new pool solely within the WPX Project Area as defined in Case No. 15102, Order No. R-13817, in Sandoval and Rio Arriba Counties, New Mexico classified as an oil pool for horizontal well development designated as the "Northeast Chaco Horizontal Well Oil Pool." The horizontal limits of said pool would comprise:

TOWNSHIP 23 NORTH, RANGE 6 WEST, N.M.P.M.

Section 5: Lots 1-4, S/2N/2, S/2

Section 6: Lots 1-7, S/2NE/4, SE/4NW/4, E/2SW/4, SE/4

Section 7: Lots 1-4, E/2W/2, E/2

Section 8: All

Section 16: S/2, NW/4

Section 17: Lots 1-7, NE/4NE4, S/2

Section 18: Lots 1-4, E/2W/2, E/2

Section 19: All

TOWNSHIP 23 NORTH, RANGE 7 WEST, N.M.P.M.

Section 1: Lots 5-20

Section 11: Lots 1-2, S/2NW/4, NE/4, S/2

Section 12: Lots 1-3, NW/4SW/4, SE/4, N/2

Section 13: All

Section 14: All

Section 15: E/2, SW/4

Section 24: All

The vertical limits of this pool consists of the Mancos formation, defined as from the top of the Mancos Formation (base of Mesaverde Group) at a depth of 4,542 feet down to the stratigraphic equivalent of the top of the Greenhorn Formation at a depth of 6,289 feet as encountered in the Rincon No. 20 well in Section 11, Township 23 North, Range 7 West, NMPM (API No. 30-039-26768).

All other information can be found in OCD Case No. 15102, OCD Order No. R-13817, and OCD Application for Nomenclature Hearing, OCD Case No. 15172.

2. **CASE 15163:** *(Continued from the June 26, 2014 Examiner Hearing.)*
Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Brushy Canyon formation, comprised of the E/2 W/2 of Section 17, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Brushy Canyon formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Goldfinger Fed Com No. 2H Well**, to be horizontally drilled from standard surface and bottom-terminus locations. The completed interval for this well will be within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1.8 miles west of Cotton Place, New Mexico.
3. **CASE 15164:** *(Continued from the June 26, 2014 Examiner Hearing.)*
Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Brushy Canyon formation, comprised of the W/2 E/2 of Section 17, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Brushy Canyon formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Goldfinger Fed Com No. 3H Well**, to be horizontally drilled from standard surface and bottom-terminus locations. The completed interval for this well will be within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1.8 miles west of Cotton Place, New Mexico.
4. **CASE 15165:** *(Continued from the June 26, 2014 Examiner Hearing.)*
Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division: (1) creating a non-standard 160-acre, more or less, oil spacing and proration unit in the Brushy Canyon formation, comprised of the E/2 E/2 of Section 17, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Brushy Canyon formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Goldfinger Fed Com No. 4H Well**, to be horizontally drilled from standard surface and bottom-terminus locations. The completed interval for this well will be within the 330-foot standard offset required by the rules. Also to be considered will