

**DOCKET: EXAMINER HEARING - THURSDAY – DECEMBER 18, 2014**

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

Docket Nos. 01-15 and 02-15 are tentatively set for January 8, 2015 and January 22, 2015. 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 15230 – No. 11***  
***Case 15242 – No. 1***  
***Case 15243 – No. 2***  
***Case 15244 – No. 3***  
***Case 15245 – No. 4***  
***Case 15246 – No. 5***  
***Case 15247 – No. 6***  
***Case 15248 – No. 7***  
***Case 15249 – No. 8***  
***Case 15250 – No. 9***  
***Case 15251 – No. 10***  
***Case 15252 – No. 12***  
***Case 15253 – No. 13***

1. ***CASE 15242: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interest from the surface to the base of the Yeso formation underlying the NW/4 NE/4 of Section 31, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Glorieta Formation, Paddock Pool, Blinbry Pool, Tubb Pool, and Drinkard Pool in the Yeso Formation, collectively called the Glorieta-Yeso. The unit will be dedicated to the **T-Rex State Well Nos. 1, 2, and 4** to be drilled at orthodox oil well locations in the NW/4 NE/4 of Section 31. 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 11 miles from Artesia, New Mexico.
2. ***CASE 15243: Application of MRC Permian Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant 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 16, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the **Cimarron State 16-19S-34E RN Well No. 134H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 16. 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 Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 17 miles west-northwest of Monument, New Mexico.
3. ***CASE 15244: Application of MRC Permian Company for approval of a non-standard spacing and proration unit, an unorthodox well location, and compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order approving a 160-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 E/2 of Section 1, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 or 320 acre spacing within that vertical extent. The unit is to be dedicated to the **Dr. Scrivner 1-24S-28E RB Well No. 224H**, a horizontal well with a surface location 250 feet from the south line and 350 feet from the east line of

Section 1. The producing interval will be unorthodox, with the penetration point 330 feet from the south line and 350 feet from the east line, and the last perforation 330 feet from the north line and 350 feet from the east line, of Section 1. 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 Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1 mile west of Harroun, New Mexico.

4. **CASE 15245: Application of MRC Permian Company for compulsory pooling and approval of an unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 12, Township 23 South, Range 27 East, NMPM, for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the **Tom Walters 12-23S-27E RB Well No. 203H**, a horizontal well with a surface location 2280 feet from the south line and 250 feet from the west line of Section 12. The producing interval will be unorthodox, with the penetration point 2280 feet from the south line and 330 feet from the west line, and the last perforation 2280 feet from the south line and 330 feet from the east line, of Section 12. 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 Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 3 miles northwest of Loving, New Mexico.
5. **CASE 15246: Application of Anschutz Oil Company, LLC for compulsory pooling, Rio Arriba County, New Mexico.** Anschutz Oil Company, LLC seeks an order pooling of all mineral interests in the Mancos formation underlying the W/2 of Section 14 and all of Section 15, Township 25 North, Range 2 West, N.M.P.M., a previously approved non-standard 960 acre spacing and proration unit, for any formations and/or pools developed on 640 acre spacing within that vertical extent, including the Gavilan-Mancos Pool. Applicant proposes to drill its **Regina Com. 25-2-14-15 Well No. 1H**, to a depth sufficient to test the Gavilan-Mancos Pool. It is a horizontal well to be drilled from a surface location in the NW/4 NE/4 of Section 14, with a terminus in the NW/4 NW/4 of Section 15. The beginning of the producing interval will be approximately 830 feet from the north line and 2310 feet from the west line of Section 14, to a terminus 830 feet from the north line and 330 feet from the west line of Section 15. The unit is located approximately 15 miles northwest of Gallina, New Mexico.
6. **CASE 15247: Application of Mack Energy Corporation for compulsory pooling, Eddy County, New Mexico.** Mack Energy Corporation seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NE/4 NW/4 of Section 34, Township 22 South, Range 27 East, N.M.P.M., to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the **Warren Fee Well No. 1**, to be drilled from a surface location 875 feet from the north line and 2045 feet from the west line, to an orthodox bottomhole location 965 feet from the north line and 2285 feet from the west line, of Section 34. 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 1/2 mile northwest of Otis, New Mexico.
7. **CASE 15248: Application of RMR Operating, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order approving a 234.75-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the W/2 E/2 of Section 25, and Lot 2 and the NW/4 NE/4 of Section 36, Township 26 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the non-standard oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Madera 25 Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NW/4 NE/4 of Section 25, and a terminus in Lot 2 of Section 36. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 12-1/2 miles west-southwest of Bennett, New Mexico.
8. **CASE 15249: Application of COG Operating LLC For Creation Of A Non-Standard Spacing And Proration Unit And Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the N/2 S/2 of Section 22, Township 25 South, Range 29 East, NMPM, Eddy 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 **Mescal 22 Federal #1H** well, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) to a standard bottom hole location in NW/4 SW/4 (Unit L) of Section 22. The completed interval for this well will commence in NE/4 SE/4 (Unit I) of Section 22 and remain within the 330-foot setback required by Division Rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, the operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and a