Examiner Hearing – May 14, 2015 Docket No. 14-15 Page 2 of 4

4. CASE 15274: (Continued from the April 30, 2015 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 3, 4, S/2 NW/4, and SW/4 (the W/2) of Section 3, Township 24 South, Range 28 East, NMPM, to form a standard 319.21 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Yardbirds 3 W2DM Fee Well No. 1H, a horizontal well with a surface location 175 feet from the north line and 1070 feet from the west line, and a terminus 330 feet from the south line and 530 feet from the west line, of Section 3. The beginning and end of the producing interval will be unorthodox. 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 1-1/2 miles north-northwest of Malaga, New Mexico.

- Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 160.07-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (the W/2 E/2) of Section 3, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the W/2 E/2 of Section 3 to form a non-standard 160.07 acre 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 Yardbirds 3 D3BO Fee Well No. 1H, a horizontal well with a surface location 185 feet from the north line and 2050 feet from the east line, and a terminus 330 feet from the south line and 2050 feet from the east line, of Section 3. 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 1-1/2 miles north of Malaga, New Mexico.
- 6. Case No. 15298: Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 27 and the W/2 W/2 of Section 22, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Owl Draw 27/22 B2MD Fed. Com. Well No. 1H, a horizontal well with a surface location 170 feet from the south line and 330 feet from the west line of Section 27, and a terminus 330 feet from the north line and 330 feet from the west line of Section 22. 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 14-1/2 miles south-southeast of Black River Village, New Mexico.
- 7. Case No. 15290: (Continued from the April 16, 2015 Examiner Hearing.)

 Application of RKI Exploration and Production for compulsory pooling and approval of an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 25, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. This 320-acre standard unit is to be dedicated to applicant's RDX 25 Fed Com No. 1H Well, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 25. The completed interval for this well will commence 330 feet from the North line and 1700 feet from the West line (Unit C) to a location 330 feet from the South line and 1700 feet from the West line (Unit N) of Section 25, thereby encroaching the spacing units to the North and South. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of RKI Exploration and Production as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles Southwest of Ross Place, New Mexico.
- 8. <u>Case No. 15299</u>: Application of XTO Energy Inc. for a non-standard spacing and proration unit, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 239.47-acre spacing and proration unit comprised of the comprised of the E/2 E/2 of Section 6 of Township 25 South, Range 29 East and the E/2 SE/4 of Section 31, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, WC-015 G-07 S252906P; Upper WC (Pool Code 98126), underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Goldenchild 6 State No. 1H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 6 (Unit P) to a bottom hole