Examiner Hearing - September 17, 2015 Docket No. 27-15 Page 2 of 3

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 2.5 miles northeast of Baird Place, NM.

- 5. <u>Case No. 15374</u>: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 240-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 29 and the W/2 NE/4 of Section 32, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico 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 Viking Helmet State Com 2H Well; which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 29 to a standard bottom hole location in the SW/4 NE/4 (Unit G) of Section 32. The completed interval for this well will remain within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 2.5 miles northeast of Baird Place, NM.
- 6. <u>Case No. 15375</u>: Application Of WPX Energy Production, LLC For Approval Of The Kimbeto Wash Unit; Creation Of A New Pool For Horizontal Development Within The Unit Area, And For Allowance Of 330 Foot Setbacks From The Exterior Of The Proposed Unit, San Juan County, New Mexico. Applicant seeks approval of its Kimbeto Unit consisting of approximately 5,279.20 acres of Federal and Allotted Indian lands situated in all or parts of the Sections 17-21 and 28-32, Township 23 North, Range 9 West, San Juan County, New Mexico. The unitized interval includes the Mancos formation at a depth of 2873 feet down to the stratigraphic equivalent of the top of the Graneros formation at a depth of 4,680 feet as encountered in the Federal E-1 well in Section 17, Township 22 North, Range 9 West, N.M.P.M. In addition, Applicant seeks an order creating a new pool within the unitized interval for horizontal well development that will allow for wells to be located anywhere within the proposed Unit Area so long as the completed interval is no closer than 330 feet from the outer boundary of the proposed Unit. The subject acreage is located approximately 5.5 miles southwest of Nageezi, New Mexico.
- 7. <u>Case No. 15376</u>: Application of COG Operating LLC 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, 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County and (2) pooling all mineral interests in the Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Bone Yard 11 Fee No. 11H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 11. The completed interval for this well will remain within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6.5 miles southwest of Lakewood, NM.
- 8. <u>Case No. 15377</u>: Application of COG Operating LLC 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, 160-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 11, Township 20 South, Range 25 East, NMPM, Eddy County and (2) pooling all mineral interests in the Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Bone Yard 11 Fee No. 12H Well, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 2 to a standard bottom hole location in the SE/4 SW/4 (Unit N) of Section 11. The completed interval for this well will remain within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6.5 miles southwest of Lakewood, NM.
- 9. <u>Case No. 15378</u>: Application of Judah Oil, L.L.C. for Approval of a Salt Water Disposal Well, Eddy County, New Mexico. Applicant seeks authority from the Division to drill the Sand Point State Well No. 2 well at a location 3980 feet from the south line and 1,300 feet from the west line (Unit L) in irregular Section 2, Township 21 South, Range 28 East, N.M.P.M. to a depth of 1,450 feet for the purpose of operating a commercial salt water disposal well. Applicant seeks authority to inject produced water into the Yates Formation at a depth of 1,300 feet to 1,450 feet by an open hole system. This area is located 11 miles east of Carlsbad, New Mexico.
- 10. <u>Case No. 15379</u>: Application of the New Mexico Oil Conservation Division ("OCD") Compliance and Enforcement Manager for a compliance order against Dominion Production Operating, LLC, finding that the operator is in violation of Agreed Compliance Order 285, and the Oil and Gas Act, NMSA 1978, Sections 70-2-1 et seq. and OCD rules, NMAC 19.15.2 et seq., requiring operator to return to compliance with division rules by a date certain, and in the event of non-compliance, request for additional sanctions.