Examiner Hearing – October 1, 2015 Docket No. 29-15 Page 3 of 5

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 17 miles southwest of Oil Center, New Mexico.

- 9. Case No. 15385: Application of WPX Energy Production, LLC for approval of a non-standard 120-acre spacing unit in the Basin Mancos Gas Pool, creation of a non-standard 240-acre spacing unit for compulsory pooling, approval of an unorthodox well location, and approval of WPX's request to downhole commingle production from the Basin Mancos Gas Pool (97232) and the Lybrook Gallup Pool (42289), Section 12, Township 23 North, Range 8 West, San Juan County, and Section 7, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order (1) approving a 120-acre non-standard spacing and proration unit in the Basin Mancos Gas Pool comprised of the N/2 SW/4 and NW/4 SE/4 of Section 12; (2) creating a 240-acre non-standard spacing unit comprised of the N/2 S/2 of Section 12 and the N/2 SW/4 of Section 7, and pooling all mineral interest owners in the Mancos formation underlying said spacing unit; (3) approving WPX's request to downhole commingle production from the Basin Mancos Gas Pool (97232) and the Lybrook Gallup Pool (42289); and (4) approving an unorthodox well location for the proposed Chaco 2307-07N 409H Well, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 7 to a non-standard bottom hole location in the NW/4 SW/4 (Unit L) of Section 12. The completed interval will commence 1680 feet from the South line, 2114 feet from the West line (Unit K) to a location 2326 feet from the South line, 390 feet from the West line (Unit L). 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 WPX Energy Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.5 miles West of Lybrook, New Mexico.
- Case No. 15386: Application of WPX Energy Production, LLC for approval of a non-standard 120-acre spacing unit in 10. the Basin Mancos Gas Pool, creation of a non-standard 240-acre spacing unit for compulsory pooling, approval of an unorthodox well location, and approval of WPX's request to downhole commingle production from the Basin Mancos Gas Pool (97232) and the Lybrook Gallup Pool (42289), Section 12, Township 23 North, Range 8 West, San Juan County, and Section 7, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order (1) approving a 120-acre non-standard spacing and proration unit in the Basin Mancos Gas Pool, comprised of the S/2 SW/4 and SW/4 SE/4 of Section 12; (2) creating a 240-acre non-standard spacing unit comprised of the S/2 S/2 of Section 12 and the S/2 SW/4 of Section 7, and pooling all mineral interest owners in the Mancos formation underlying said spacing unit; (3) approving WPX's request to downhole commingle production from the Basin Mancos Gas Pool (97232) and the Lybrook Gallup Pool (42289); and (4) approving an unorthodox well location for the proposed Chaco 2307-07N 410H Well, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 7 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 12. The completed interval will commence 380 feet from the South line, 2113 feet from the West line (Unit N) to a location 1125 feet from the South line, 390 feet from the West line (Unit M). 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 WPX Energy Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.5 miles West of Lybrook, New Mexico.
- 11. <u>Case No. 15375</u>: (Continued from the September 17, 2015 Examiner Hearing.)

 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.
- 12. <u>Case No. 15387</u>: Application Of EOG Resources, Inc. For Approval Of The Bridge State Unit, Lea County, New Mexico. Applicant seeks approval of the Bridge State Unit consisting of approximately 3,520 acres of State lands in Lea County, New Mexico, comprised of the following acreage:

TOWNSHIP 22 SOUTH, RANGE 35 EAST

Section 16: S/2

Section 20: W/2 NE/4, SE/4 NE/4, W/2, SE/4

Section 21: All

Section 22: E/2, SW/4

Section 27: N/2 NE/4, SE/4 NE/4, NW/4, SE/4

Section 28: N/2, SW/4, W/2 SE/4

Section 29: E/2, SW/4