

**DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 18, 2016**

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

Docket Nos. 08-16 and 09-16 are tentatively set for March 3, 2016 and March 17, 2016. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC 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 15411 - No. 4******Case 15416 - No. 5******Case 15429 - No. 1******Case 15434 - No. 3******Case 15441 - No. 6******Case 15442 - No. 2******1. Case No. 15429: (Continued from the January 21, 2016 Examiner Hearing.)***

***Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Devon Energy Production Company, L.P. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (the W/2 W/2) of Section 1, Township 23 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit, for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the ***Tomb Raider 1 Fed. Well No. 2H***, a horizontal well to be drilled at a surface location 200 feet from the north line and 1360 feet from the west line, with a terminus 330 feet from the south line and 660 feet from the west 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 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 21 miles east-northeast of Malaga, New Mexico.

***2. Case No. 15442: Application of BC Operating, Inc. for Authorization to Inject, Eddy County, New Mexico.*** Applicant seeks an order authorizing the injection of water for disposal into the Bell Canyon through Upper Cherry Canyon members of the Delaware Mountain Group in the following well:**Grande State #1 SWD (API # 30-015-31910)**

660' FNL &amp; 1980' FWL (Unit C)

Section 32

T-23-S, R-29-E, NMPM

Eddy County, New Mexico

Applicant proposes to reconfigure the well at the above location and utilize it for injection of produced water at depths of 2,780' to 4,900' subsurface. The well is located approximately 5.5 miles Southeast of Loving, New Mexico.

***3. Case No. 15434: (Continued from the January 21, 2016 Examiner Hearing.)***

***Application of XTO Energy Inc. 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 320-acre spacing and proration unit comprised of the W/2 W/2 of Section 8 and the W/2 W/2 of Section 17, Township 23 South, Range 32 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 ***SDE 17 Federal #1H well***, which will be horizontally drilled from a surface location in the SW/4 SW/4 of Section 17 (Unit M) to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 8. The completed interval for this well will remain within the 330-foot standard setback required by the Division's statewide 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 XTO Energy Inc. as operator of the well, and a 200% charge for risk involved in drilling and completing said well. The subject area is located approximately 15 miles south-southeast of Halfway, New Mexico.