Examiner Hearing – August 4, 2016 Docket No. 32-16 Page 6 of 6

27. <u>Case No. 15512</u>: (Continued from the July 21, 2016 Examiner Hearing.)

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 159.95-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. 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 cast 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.

28. <u>Case No. 15513</u>: (Continued from the July 21, 2016 Examiner Hearing.)

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-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 34. Township 23 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 34. The unit will be dedicated to the Yardbirds 34 PA Fee Well No. 1H, a horizontal well with a surface location 150 feet from the south line and 610 feet from the east line, and a terminus 330 feet from the north line and 500 feet from the east 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 2-1/2 miles north of Malaga, New Mexico.

29. Case No. 15515: (Continued from the July 21, 2016 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 the W/2 of Section 34. Township 23 South, Range 28 East, NMPM, to form a standard 320-acre gas spacing and proration unit. The unit will be dedicated to the Yardbirds 34 W2NC Fee Well No. 1H, a horizontal well with a surface location 150 feet from the south line and 2240 feet from the west line, and a terminus 330 feet from the north line and 2240 feet from the west line, of Section 34. 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 2-1/2 miles north of Malaga, New Mexico.

30. <u>Case No. 15516</u>: (Continued from the July 21, 2016 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 the E/2 of Section 34. Township 23 South. Range 28 East, NMPM, to form a standard 320-acre gas spacing and proration unit. The unit will be dedicated to the Yardbirds 34 W2OB Fee Well No. 1H, a horizontal well with a surface location 150 feet from the south line and 2310 feet from the east line, and a terminus 330 feet from the north line and 2160 feet from the cast line, of Section 34. The producing interval will be unorthodox. Also to be considered will be the cost of drilling and completing the well and the altocation 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 2-1/2 miles north of Malaga, New Mexico.

31. <u>Case No. 15518</u>: (Continued from the July 21, 2016 Examiner Hearing.)

Application of RKI Exploration & 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 17, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. This 320-acre standard unit is to be dedicated to applicant's RDX Federal 17 No. 35H Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) to a non-standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 17. The completed interval for this well will commence 330 feet from the North line and 330 feet from the West line (Unit D) to a location 330 feet from the South line and 330 feet from the West line (Unit M) of Section 17, thereby encroaching the spacing units to the North, Northwest, West, Southwest, 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 & Production as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8.5 miles southwest of Ross Place, New Mexico.