

Examiner Hearing – September 15, 2016

Docket No. 38-16

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4. Case No. 15532: (Continued from the August 18, 2016 Examiner Hearing)

Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 W/2 of Section 9, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the E/2 W/2 of Section 9. The unit will be dedicated to the **Salado Draw 9 W1CN Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 9. 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 23-1/2 miles west of Bennett, New Mexico.

5. Case No. 15533: (Continued from the August 18, 2016 Examiner Hearing)

Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 E/2 of Section 9, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the E/2 E/2 of Section 9. The unit will be dedicated to the **Salado Draw 9 W1AP Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 9. 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 23 miles west of Bennett, New Mexico.

6. Case No. 15534: (Continued from the August 18, 2016 Examiner Hearing)

Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 E/2 of Section 9, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the W/2 E/2 of Section 9. The unit will be dedicated to the **Salado Draw 9 W1BO Fed. Com. Well No. 2H**, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 9. 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 23 miles west of Bennett, New Mexico.

7. Case No. 15542: 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 26, Township 23 South, Range 27 East, NMPM, to form a standard 320 acre gas spacing and proration unit. The unit will be dedicated to the **Iceman 26 W2AP Fed. Com. Well No. 1H**, a horizontal well with a surface location 205 feet from the north line and 330 feet from the east line, and a terminus 330 feet from the south line and 330 feet from the east line, of Section 26. 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 3-1/2 miles west-southwest of Loving, New Mexico.

8. Case No. 15542: (Continued from the September 1, 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 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.

9. Case No. 15535: (Continued from the August 18, 2016 Examiner Hearing.)

Application of Matador Production Company and Mewbourne Oil Company for pool creation, pool reclassification, and special pool rules, Eddy County, New Mexico. Applicants seek an order creating a new pool, designated the Downey-Wolfcamp Gas Pool, covering the Wolfcamp formation in Townships 22 through 26 South, and Ranges 25 East Through 31 East, NMPM, Eddy County, and instituting special rules and regulations for the pool including 320 acre spacing and special well locations requirements. All existing Wolfcamp pools, and wells within the existing pools, shall be re-classified as being within the Downey-Wolfcamp Gas