Examiner Hearing - October 27, 2016 Docket No. 43-16 Page 5 of 9

East, Lea County, New Mexico and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Federal 30 No. 124H Well, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 30. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles west of Monument, NM.

- 19. <u>Case No. 15571</u>: Application of OXY USA Inc. 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 200-acre spacing and proration unit comprised of the E/2 E/2 of Section 15 and the NE/4 NE/4 of Section 22, Township 24 South, Range 29 East, NMPM, Eddy 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 Cedar Canyon 22-15 Federal Com No. 34H Well, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 22 to a standard bottom hole location in NE/4 NE/4 (Unit A) of Section 15. The completed interval for this well will remain within the 330-foot standard offset required by the Division's 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 OXY USA Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles east of Malaga, N.M.
- 20. <u>Case No. 15572</u>: (This case will be continued to the November 17, 2016 Examiner Hearing.)

 Application of WPX Energy Production, LLC For Approval Of The Rodeo 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 Rodeo Unit consisting of approximately 5,288.63 acres, more or less, of Federal, State, and Allotted Indian lands situated in all or parts of the Section 6, Township 22 North, Range 8 West, Sections 1-3, Township 22 North, Range 9 West, Sections 20 and 29-32, Township 23 North, Range 8 West, and Section 36, Township 23 North, Range 9 West, NMPM, San Juan County, New Mexico. The unitized interval includes the Mancos formation from the top of the Mancos formation at a depth of 3,524 feet down to the stratigraphic equivalent of the top of the Graneros formation at a measured depth of 5,359 feet as encountered in the North Chaco #7 well in Section 30, Township 23 North, Range 8 West, N.M.P.M. (API 30-045-05068). 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 6 miles southwest of Nageezi, New Mexico.
- 21. <u>Case No. 15573</u>: Application of RKI Exploration and Production 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, 240-acre, more or less, spacing and proration unit comprised of the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation (Brushy Draw; Wolfcamp (Oil) Pool (97136)) underlying this acreage. Said non-standard unit is to be dedicated to the applicant's proposed RDX Federal Com 4-9 1H Well, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 4 to a standard bottom hole location in in the SE/4 SE/4 (Unit P) of Section 9. 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 RKI Exploration and Production as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles southeast of Malaga, New Mexico.
- 22. <u>Case No. 15574</u>: Application of RKI Exploration and Production 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, 240-acre, more or less, spacing and proration unit comprised of the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation (Brushy Draw; Wolfcamp (Oil) Pool (97136)) underlying this acreage. Said non-standard unit is to be dedicated to the applicant's proposed RDX Federal Com 4-9 2H Well, which will be horizontally drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 4 to a standard bottom hole location in in the SW/4 SE/4 (Unit O) of Section 9. 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 RKI Exploration and Production as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles southeast of Malaga, New Mexico.
- 23. <u>Case No. 15575</u>: Application of RKI Exploration & Production for a non-standard spacing unit, compulsory pooling, and approval of an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an (1) creating a 160-acre, more or less, non-standard spacing and proration unit comprised of the SE/4 of Section 4, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico; (2) pooling all uncommitted interest owners in the Wolfcamp formation (Brushy Draw; Wolfcamp (Gas) Pool (Pool Code 72897)) underlying the E/2 of Section 9 and the proposed non-standard spacing and proration unit comprised of the SE/4 of Section 4 to form a 480-acre spacing and proration unit for the proposed horizontal well; and (3) approving an unorthodox location for the proposed horizontal well. This 480-acre spacing unit is to be dedicated to