Examiner Hearing – May 11, 2017 Docket No. 17-17 Page 3 of 6

- 8. Case No. 15679: (Continued from the April 27, 2017 Examiner Hearing.)
- Application of COG Operating LLC 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 446.4-acre, more or less, spacing and proration unit comprised of the W/2 of Section 29 and the N/2 NW/4 and Lot 1 and Lot 2 of irregular Section 32, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation. Said non-standard unit is to be dedicated to applicant's proposed Sidewinder Federal Com No. 4H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 1) of irregular Section 32 to a standard bottomhole location in the NW/4 NW/4 (Unit D) of Section 29. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage-Wolfcamp Gas Pool in Division Order No. R-14262. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 13.5 miles SE of Malaga, New Mexico.
- 9. Case No. 15693: Application of COG Operating LLC 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 454.63-acre, more or less, spacing and proration unit comprised of the E/2 W/2 and Lot 1, Lot 2, Lot 3, and Lot 4 (forming the W/2 W/2) of irregular Section 30 and the N/E NW/4 and Lot 1, Lot 2, and Lot 3 of irregular Section 31 (forming the W/2 NW/4 and SE/4 NW/4), Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation. Said non-standard unit is to be dedicated to applicant's proposed Copperhead Fee A No. 4H Well, which will be horizontally drilled from a surface location in the SE/4 NW/4 (Lot 3) of irregular Section 31 to a standard bottomhole location in the NE/4 NW/4 (Unit C) of Section 30. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage-Wolfcamp Gas Pool in Division Order No. R-14262. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12.5 miles southeast of Malaga, New Mexico.
- 10. <u>Case No. 15694</u>: Application of COG Operating LLC 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 226.34-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 30 and the NW/4 NE/4 and Lot 6 of irregular Section 31, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp Formation. Said non-standard unit is to be dedicated to applicant's proposed Copperhead 31 Federal Com No. 21H Well, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Lot 6) of irregular Section 31 to a standard bottomhole location in the NW/4 NE/4 (Unit B) of Section 30. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage-Wolfcamp Gas Pool in Division Order No. R-14262. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12.5 miles southeast of Malaga, New Mexico.
- 11. <u>Case No. 15185</u> (re-opened): Application of Ard Energy, LLC to reopen Case No. 15185 pursuant to NMAC 19.15.13. 13 and the provisions of Orders No. R-13913, as amended, R-13913-B and to (1) determine reasonable lease operating costs and expenses, and revenue netting attributable to the Ivar The Boneless Federal Well No. 11H (API 30-025-42514), located in a unit comprised of W/2 W/2 of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico (the Unit); (2) to determine reasonable costs of drilling and completion, lease operating costs and expenses, and revenue netting attributable to the Ivar The Boneless Federal Wells Nos. 22H (API 30-025-42998) and 12H (API 30-025-42997), located within the Unit. The wells are located approximately five (5) miles south east of Maljamar, New Mexico.
- 12. <u>Case No. 15673</u>: (Continued from the April 13, 2017 Examiner Hearing.)
- Application of Mewbourne Oil Company for a nonstandard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 480 acre non-standard spacing and proration unit in the Wolfcamp formation underlying the E/2 of Section 12 and the SE/4 of Section 1, Township 25 South, Range 27 East, NMPM, pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the Devon 12/1 W2PI Fee Com. Well No. 1H, a horizontal well with a surface location in the NE/4 NE/4 of adjoining Section 13, and a terminus in the NE/4 SE/4, of Section 1. The producing interval will be orthodox. 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 7 miles southwest of Malaga, New Mexico.
- 13. <u>Case No. 15671</u>: (Continued from the April 27, 2017 Examiner Hearing.)

Application of Smith and Marrs Inc., for approval of lease pressure maintenance project, in Eddy County, New Mexico. Applicant seeks approval to institute a lease pressure maintenance project in its Superior State Well #1, located 1980' FNL and 660' FEL, Unit H, Section 8, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Applicant intends to inject produced water into the Delaware Sand formation at depths of 3736-3776 feet (perforated). The well is located approximately 10 miles south east of Malaga, New Mexico.