Examiner Hearing – May 25, 2017 Docket No. 19-17 Page 3 of 7

7. <u>Case No. 15703</u>: Application of XTO Energy 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 non-standard, 320-acre spacing and proration unit comprised of the comprised of the W/2 E/2 of Section 8 and the W/2 E/2 of Section 17, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, Willow Lake; Bone Spring, Southeast (Pool Code 96217), underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Corral Canyon Federal Com No. 15H Well, which will be horizontally drilled from a surface location in the SW/4 SE/4 of Section 5 (Unit O) to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 17. 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 XTO Energy Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles southeast of Malaga, New Mexico.

8. <u>Case No. 15695</u>: (Continued from the May 11, 2017 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Norman L & Loretta E Gilbreath, for Wells Operated in Rio Arriba and San Juan Counties, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Norman L & Loretta E Gilbreath ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, §70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

9. Case No. 15696: (Continued from the May 11, 2017 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Norman L Gilbreath, for Wells Operated in San Juan County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Norman L Gilbreath ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, §70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

10. Case No. 15697: (Continued from the May 11, 2017 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against P-R-O Management, Inc., for Wells Operated in San Juan County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator P-R-O Management, Inc. ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

11. Case No. 15685: (Continued from the May 11, 2017 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Pierce Production Company, LLC for Wells Operated in Lea County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Pierce Production, LLC ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

12. <u>Case No. 15704</u>: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Rhombus Operating Co., Ltd., for Wells Operated in Lea County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Rhombus Operating Co., Ltd. ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

13. <u>Case No. 15705</u>: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Southwestern, Inc., for Wells Operated in Eddy and Lea Counties, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files