

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.

20. Case No. 15671: (Continued from the May 11, 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.

21. Case No. 15655: (Continued from the May 11, 2017 Examiner Hearing.)

Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 35, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico and the W/2 W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Grama Ridge State Com 1H well** to be drilled at an unorthodox location approximately 144.3 feet from the south line and 911 feet from the west line (surface) of Section 2, Township 22 South, Range 34 East, to 2371 feet from the south line and 330 feet from the west line (terminus) of Section 35, Township 21 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 17 miles west of Eunice, New Mexico.

22. Case No. 15656: (Continued from the May 11, 2017 Examiner Hearing.)

Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the E/2 SW/4 of Section 35, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico and the E/2 W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to Applicant's proposed **Grama Ridge State Com 3H well** to be drilled at an unorthodox location approximately 144.3 feet from the south line and 971 feet from the east line (surface) of Section 2, Township 22 South, Range 34 East, to 2387 feet from the south line and 1707.7 feet from the east line (terminus) of Section 35, Township 21 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 17 miles west of Eunice, New Mexico.

23. Case No. 15659: (Continued from the May 11, 2017 Examiner Hearing.)

Application of GMT Exploration Company LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. GMT Exploration Company LLC seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 2, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area). The unit will be dedicated to the **Pucker Rapid State Com. Well No. 1H**, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 2. The beginning and end of the productive 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 12 miles west-southwest of Oil Center, New Mexico.

24. Case No. 15660: (Continued from the May 11, 2017 Examiner Hearing.)

Application of GMT Exploration Company LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. GMT Exploration Company LLC 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 W/2 of Section 2, Township 22 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area). The unit will be dedicated to the **Squeeze State Com. Well No. 1H**, a horizontal well with a surface location in the SE/4 SW/4, and a terminus in the NE/4 NW/4, of Section 2. The beginning and end of the productive 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 12 miles west-southwest of Oil Center, New Mexico.

25. Case No. 15676: (Continued from the April 27, 2017 Examiner Hearing.)

Application Of Dakota Resources, Inc. To Reinstate The Injection Authorized By Order SWD-802, Eddy County, New Mexico. Applicant seeks an order re-approving injection authority pursuant to Administrative Order SWD-802 issued in 2001. Order SWD-802 authorized the disposal of produced water into the Bell Canyon member of the Delaware formation from approximately 2,926

Examiner Hearing – May 25 2017
Docket No 19 17
Page 6 of 7

feet to 3 315 feet through the **Trigg Federal Well No 1** (API No 30 015 25006) located in the NW/4 SW/4 (Unit L) of Section 7 Township 21 South Range 28 East in Eddy County New Mexico That authority expired on July 15 2016 due to inactivity associated with remediation efforts at the well site which are now completed This area is located 9 miles northeast of Carlsbad New Mexico

26 Case No 15547 (Continued from the March 30 2017 Examiner Hearing)

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas 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 22 Township 26 South Range 27 East NMPM to form a standard 320 acre gas spacing and proration unit in the Wolfcamp formation The unit is dedicated to the **Owl Draw 22 W1AP Fed Com Well No 1H** a horizontal well with a surface location 230 feet from the south line and 660 feet from the east line of adjoining Section 15 and a terminus 333 feet from the south line and 650 feet from the east line of Section 22 The beginning and end of 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 12 1/2 miles south southeast of Black River Village New Mexico

27 Case No 15548 (Continued from the March 30 2017 Examiner Hearing)

Application of Mewbourne Oil Company for a non standard oil spacing and proration unit and compulsory pooling Eddy County New Mexico Mewbourne Oil Company seeks an order approving a 320 acre non standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 22 and the E/2 E/2 of Section 27 Township 26 South Range 27 East NMPM Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non standard spacing and proration unit The unit is to be dedicated to the **Owl Draw 22/27 B2AP Fed Com Well No 1H** a horizontal well with a surface location 200 feet from the south line and 600 feet from the east line of adjoining Section 15 and a terminus 333 feet from the south line and 572 feet from the east line of Section 27 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 15 miles south southeast of Black River Village New Mexico

28 Case No 15549 (Continued from the March 30 2017 Examiner Hearing)

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas 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 23 Township 26 South Range 27 East NMPM to form a standard 320 acre gas spacing and proration unit in the Wolfcamp formation The unit is to be dedicated to the **Owl Draw 23 DM Fed Com Well No 1** a horizontal well with a surface location in the SW/4 SW/4 of adjoining Section 14 and a terminus 344 feet from the south line and 625 feet from the west line of Section 23 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 13 miles south southeast of Black River Village New Mexico

29 Case No 15550 (Continued from the March 30 2017 Examiner Hearing)

Application of Mewbourne Oil Company for 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 W/2 W/2 of Section 23 Township 26 South Range 27 East NMPM Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 23 The unit is dedicated to the **Owl Draw 23 DM Fed Com Well No 2** a horizontal well with a surface location 370 feet from the south line and 1055 feet from the west line of adjoining Section 14 and a terminus 334 feet from the south line and 661 feet from the west line of Section 23 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 13 miles south southeast of Black River Village New Mexico

30 Case No 15551 (Continued from the March 30 2017 Examiner Hearing)

Application of Mewbourne Oil Company for a non standard oil spacing and proration unit and compulsory pooling Eddy County New Mexico Mewbourne Oil Company seeks an order approving a 320 acre non standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 22 and the W/2 E/2 of Section 27 Township 26 South Range 27 East NMPM Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non standard unit The unit is dedicated to the **Owl Draw 22/27 B2BO Fed Com Well No 2H** a horizontal well with a surface location 330 feet from the north line and 1585 feet from the east line of Section 22 and a terminus 330 feet from the south line and 1980 feet from the east line of Section 27 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