## Examiner Hearing – June 8, 2017 Docket No. 21-17 Page 3 of 6

and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to the **Muirfield #2H well**, which will be horizontally drilled from a surface location in Unit P to a bottom hole location in Unit A of Section 18, Township 10 South, Range 29 East. The completed interval for the 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 the well and the allocation of the cost, the designation of Hadaway Consulting and Engineering, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 30 miles east of Roswell, New Mexico.

- 9. <u>Case No. 15716</u>: Application of Back Nine Properties LLC for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Applicant seeks an order (i) creating a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the W/2 of Section 21, Township 11 South, Range 28 East, NMPM, in Chaves County, and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to the Pinehurst #5H well, which will be horizontally drilled from a surface location in Unit D to a bottom hole location in Unit M of Section 21, Township 11 South, Range 28 East. The completed interval for the 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 the well and the allocation of the cost, the designation of Hadaway Consulting and Engineering, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 21 miles east of Roswell, New Mexico.
- 10. <u>Case No. 15701</u>: (Continued from the May 25, 2017 Examiner Hearing.)

  Application of OXY USA WTP Limited Partnership 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 320-acre spacing and proration unit comprised of the N/2 N/2 of Section 9 and the N/2 N/2 of Section 10, Township 19 South, Range 29 East, NMPM, Eddy 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 Turkey Track 9-10 State No. 21H Well, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 8 to a standard bottom hole location in NE/4 NE/4 (Unit A) of Section 10. 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 WTP Limited Partnership as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles north of Malaga, N.M.
- 11. Case No. 15702: (Continued from the May 25, 2017 Examiner Hearing.)

  Application of OXY USA WTP Limited Partnership 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 320-acre spacing and proration unit comprised of the S/2 N/2 of Section 9 and the S/2 N/2 of Section 10, Township 19 South, Range 29 East, NMPM, Eddy 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 two initial wells: applicant's proposed Turkey Track 9-10 State No. 22H Well and the proposed Turkey Track 9-10 State No. 32H Well, which will be simultaneously drilled and completed. These two horizontal wells will be drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 8 to a standard bottom hole location in SE/4 NE/4 (Unit H) of Section 10. The completed interval for each 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 each well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles north of Malaga, N.M.
- 12. Case No. 15717: Application of McElvain Energy Inc. for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) non-standard 160-acre, more or less, spacing and proration unit in the Bone Spring formation comprised of the W/2 W/2 of Section 28, Township 18 South, Range 35 East, NMPM, 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 the applicant's proposed Ironhouse 28 BS2 State Com No. 4H Well, which will be drilled horizontally from the SW/4 SW/4 (Unit M) to a standard bottomhole location in the NW/4 NW/4 (Unit D) of Section 28. The completed interval for this well will remain within the 330-foot standard offset required the Statewide rules for oil wells. 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 23 miles west of Hobbs New Mexico.
- 13. <u>Case No. 15718</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 E/2 E/2 of Section 8 and the E/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. 16H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 5 (Unit P) to a bottom hole location in the SE/4 SE/4 (Unit P) 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