

in drilling said well. Said area is located approximately 2 miles west of Seven Rivers, New Mexico.

7. **Case No. 15761: Application of COG Operating LLC 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) creating a non-standard 240-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 28 and the E/2 NW/4 of Section 33, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the WC-025 G-09 S243532M; Wolfbone Pool underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Coonskin Fee No. 25H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 28 to a standard bottom hole location in the SE/4 NW/4 (Unit F) of Section 33. The completed interval for this well will be comply with the setback requirements in the Division Statewide 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3 miles northeast of Baird Place, New Mexico.

8. **Case No. 15762: Application of COG Operating LLC 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) creating a non-standard 240-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 28 and the W/2 NW/4 of Section 33, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests in the WC-025 G-09 S243532M; Wolfbone Pool underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Coonskin Fee No. 28H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 28 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 33. The completed interval for this well will be comply with the setback requirements in the Division Statewide 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3 miles northeast of Baird Place, New Mexico.

9. **Case No. 15763: 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 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 36 and the W/2 W/2 of Section 25, Township 25 South, Range 26 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 two proposed initial wells: the proposed **Craig Federal Com No. 2H Well** and the proposed **Craig Federal Com No. 12H Well**, which will be simultaneously drilled and completed. The proposed initial wells are stacked laterals and will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 1, Township 26 South, Range 26 East, to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 25, Township 25 South, Range 26 East. The completed interval for this well will remain within the 330-foot offset as required by 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 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 miles southwest of Malaga, New Mexico.

10. **Case No. 15764: 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 160-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 23, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Empire Glorieta-Yeso Pool (96210) underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Malco 23 Federal Com No. 13H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) to a standard bottomhole location in the SE/4 SW/4 (Unit N) of Section 23. The completed interval for this well will remain not within the 330-foot offset as required by the Statewide rules for oil wells, and will therefore be unorthodox. COG will apply administratively for approval of an unorthodox location. 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 22 miles west of Maljamar, New Mexico.

11. **Case No. 15765: Application of COG Operating LLC 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) creating a non-standard 319.91-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 5 and the E/2 E/2 of Section 8, Township 20 South, Range 32 East, 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 **Ringo 32 Fed Com No. 1H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Lot 4) of Section 32, Township 19 South, Range 32 East, to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 8, Township 20 South, Range 32 East. The completed interval for this well will remain within the 330-foot offset as required by 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 28 miles northeast of Carlsbad, New Mexico.

**12. Case No. 15742:** (Continued from the July 6, 2017 Examiner Hearing.)

**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 (EK-Bone Spring Pool) comprised of the W/2 E/2 of Section 30, Township 18 South, Range 34 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 **EK 30 BS2 Federal Com No. 2H Well**, which will be drilled horizontally from the SE/4 SE/4 (Unit P) of Section 30 to a non-standard bottomhole location in the NW/4 NE/4 (Unit B) of Section 30. The Special Rules for the EK-Bone Spring Pool require 80-acre spacing units and that the completed interval for a well be located within 150 feet of the center of the quarter-quarter section. The Division previously issued Administrative Order NSL-7503 approving an unorthodox location for the subject well. McElvain also requests a non-standard, 160-acre spacing unit comprised of the W/2 E/2 of Section 30, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. 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 30 miles west of Hobbs New Mexico.

**13. Case No. 15743:** (Continued from the July 6, 2017 Examiner Hearing.)

**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 (EK-Bone Spring Pool) comprised of the E/2 E/2 of Section 31, Township 18 South, Range 34 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 **EK 31 BS2 Federal Com No. 1H Well**, which will be drilled horizontally from the SE/4 SE/4 (Unit P) of Section 30 to a non-standard bottomhole location in the SE/4 SE/4 (Unit P) of Section 31. The Special Rules for the EK-Bone Spring Pool require 80-acre spacing units and that the completed interval for a well be located within 150 feet of the center of the quarter-quarter section. The Division previously issued Administrative Order NSL-7503 approving an unorthodox location for the subject well. McElvain also requests a non-standard, 160-acre spacing unit comprised of the E/2 E/2 of Section 31, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. 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 30 miles west of Hobbs New Mexico.

**14. Case No. 15717:** (Continued from the July 6, 2017 Examiner Hearing.)

**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.

**15. Case No. 15766: Application Of CrownQuest Operating, LLC To Reinstate The Injection Authorized By Order No. R-4007, Lea County, New Mexico.** Applicant seeks an order re-approving injection authority pursuant to Order No. R-4007 issued in 1970. Order No. R-4007 authorized the disposal of produced water into the Upper Pennsylvanian formation from approximately 9,789 feet to 9,924 feet through the **State "27" Well No. 2 (API No. 30-025-22932)**, located in the SE/4 SE/4 (Unit P) of Section 27, Township 14 South, Range 32 East, in Lea County, New Mexico. That authority expired on June 30, 2016, due to inactivity associated with a requirement to re-perform a mechanical integrity test, which is now completed. Said well is located approximately 7.5 miles northwest of Lovington, New Mexico.

**16. Case No. 15700:** (Continued from the June 22, 2017 Examiner Hearing.)

**Application of Caza Petroleum, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Caza Petroleum, LLC seeks an order approving a non-standard 281.10-acre spacing and proration unit in the Bone Spring formation comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (the W/2 W/2) of Section 5 and the W/2 NW/4 and NW/4 SW/4 of Section 8, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's **Eagleclaw 5 Fed. Well No. 1H**, to be horizontally drilled from a surface location in Lot 4 of Section 5 to a bottom hole location in the NW/4 SW/4 of