

21. Case No. 15786: (Continued from the August 3, 2017 Examiner Hearing.)

**Application of Matador Production Company 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, 160-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 6, Township 20 South, Range 34 East, 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 applicant's proposed **Verna Rae Fed Com No. 134H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 6. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Monument, NM.

22. Case No. 15787: (Continued from the August 3, 2017 Examiner Hearing.)

**Application of Matador Production Company 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, 160-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 6, Township 20 South, Range 34 East, Lea County, New Mexico and (2) pooling all uncommitted interests in the Wolfcamp formation (Tonto, Wolfcamp Pool (59500) underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Verna Rae Fed Com No. 204H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Lot 2) to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 6. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Monument, NM.

23. Case No. 15817: **Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 12, Township 23 South, Range 27 East, NMPM, to form a standard 320 acre gas spacing and proration unit. The unit will be dedicated to the Miss Sue 12-23S-27E RB Well No. 202H. The well is a horizontal well, with a surface location in the SE/4NE/4 of adjoining Section 11. The first perforation will be 1650 feet from the north line and 330 feet from the west line, and the last perforation will be 1650 feet from the north line and 330 feet from east line, of Section 12. The producing interval of the well 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 3.5 miles northwest of Loving, New Mexico.

24.. Case No. 15794: (Continued from the August 17, 2017 Examiner Hearing.)

**Application of Matador Production Company 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 N/2 N/2 of Section 32, Township 20 South, Range 29 East, 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 **Pennzoil 32 Fed No. 131H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 33 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 32. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles northeast of Carlsbad, NM.

25.. Case No. 15795: (Continued from the August 17, 2017 Examiner Hearing.)

**Application of Matador Production Company 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 S/2 N/2 of Section 32, Township 20 South, Range 29 East, 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 **Pennzoil 32 Fed No. 132H Well**, SW/4 NW/4 (Unit E) of Section 33 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 32. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles northeast of Carlsbad, NM.

26.. Case No. 15796: (Continued from the August 17, 2017 Examiner Hearing.)



*Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.* Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 320-acre, more or less, spacing and proration unit comprised of the N/2 of Section 32, Township 20 South, Range 29 East, Eddy County, New Mexico. Said spacing and proration unit is to be dedicated to applicant's proposed **Pennzoil 32 Fed No. 201H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 33 to a non-standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 32. The completed interval for this well is unorthodox because it does not comply with the 660-foot setbacks for gas wells pursuant to the statewide rules. Matador 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 11 miles northeast of Carlsbad, NM.

27.. **Case No. 15758:** (Continued from the August 17, 2017 Examiner Hearing.)

*Application of OneEnergy Partners 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 322.42-acre spacing and proration unit in the Bone Spring Formation comprised of the W/2 W/2 of Section 1 and the W/2 W/2 of Section 12, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interest owners within the non-standard spacing and proration unit. Said unit will be the project area for its proposed **Lobo Rojo B3 State Com No. 1H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 12 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 1. The completed interval for this well will comply with the 330-foot standard setbacks 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 OneEnergy Partners Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles west of Eunice, New Mexico.

28.. **Case No. 15759:** (Continued from the August 17, 2017 Examiner Hearing.)

*Application of OneEnergy Partners 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 322.49-acre spacing and proration unit in the Bone Spring Formation comprised of the E/2 W/2 of Section 1 and the E/2 W/2 of Section 12, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interest owners within the non-standard spacing and proration unit. Said unit will be the project area for its proposed **Lobo Rojo B3 State Com No. 2H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 12 to a standard bottom hole location in the NE/4 NW/4 (Unit C) of Section 1. The completed interval for this well will comply with the 330-foot standard setbacks 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 OneEnergy Partners Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles west of Eunice, New Mexico.

29.. **Case No. 15348 (re-opened):** (Continued from the August 17, 2017 Examiner Hearing.)

*Application Of WPX Energy Production, LLC To Amend Order R-14100 To Expand The West Escavada Unit And The Corresponding West Escavada Unit; Mancos Pool, Sandoval Counties and San Juan, New Mexico.* Applicant seeks to amend Order R-14100 to (1) expand the geographic area of the West Escavada Unit by 960 acres of Federal and Indian allotted land, and (2) expand the corresponding West Escavada Unit; Mancos Pool created by that Order to allow horizontal wells to be located anywhere within the Unit so long as the completed interval is no closer than 330 feet from the outer boundary of the expanded West Escavada Unit area. The proposed expanded Unit Area will consist of approximately 2,886.42 acres of Federal and Indian Allotted lands located in in all or parts of the following sections in San Juan and Sandoval Counties, New Mexico:

**TOWNSHIP 22 NORTH, RANGE 7 WEST, SANDOVAL COUNTY**

Section 7: S/2  
Section 8: S/2  
Section 17: All  
Section 18: All

**TOWNSHIP 22 NORTH, RANGE 8 WEST, SAN JUAN COUNTY**

Section 12: S/2\*  
Section 13: All\*

The unitized interval includes the Mancos formation at a depth of 3,858 feet down to the stratigraphic equivalent of the base of the Greenhorn formation at a depth of 5,695 feet as encountered in the Fulton well in Section 31, Township 23 North, Range 7 West, N.M.P.M (API No. 30-043-05164). The subject acreage is located approximately 6.5 miles Southwest of Counselor, New Mexico.

30.. **Case No. 15792:** (Continued from the August 17, 2017 Examiner Hearing.)

*Application of Forty Acres Energy, LLC for statutory unitization, Lea County, New Mexico.* Applicant seeks an order statutorily unitizing all mineral interests in the Yates-Seven Rivers-Queen formation in the proposed West Eumont Unit underlying 7977.30 acres of federal, state, and fee lands covering all or parts of Sections 21, 22, 26-29, and 32-35 of Township 20 South, Range 36