

*Examiner Hearing – September 14, 2017*  
*Docket No. 33-17*  
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wells to be drilled by Applicant as follow: (1) the **Rio Blanco 4-33 Fed Com 3H** from a surface hole location of 2630' FNL & 400' FWL Section 4-T23S-R34E with an estimated bottom hole location of 330' FNL & 350' FWL Section 33-T22S-R34E to test the 2nd Bone Spring Sand between the approximate vertical depths of 10,262' and 10,305'. The well is planned to be drilled to an approximate total measured depth of 18,100'; (2) the **Rio Blanco 4-33 Fed Com 2H** from a surface hole location of 2630' FNL 350' FWL Section 4-T23S-R34E with an estimated bottom hole location of 330' FNL & 350' FWL Section 33-T22S-R34E to test the 1st Bone Spring Sand between the approximate vertical depths of 9,857' and 9,933'. The well is planned to be drilled to an approximate total measured depth of 17,700'; and (3) the **Rio Blanco 4-33 Fed Com 1H** from a surface hole location of 2630' FNL & 300' FWL Section 4-T23S-R34E with an estimated bottom hole location of 330' FNL & 350' FWL Section 33-T22S-R34E to test the Leonard A interval between the approximate vertical depths of 8,767' and 8,837'. The well is planned to be drilled to an approximate total measured depth of 16,500'. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant and Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. Applicant also seeks to abolish the depth bracket allowable limitations for the wells. The wells and lands are located approximately one-half mile north of the intersection of Aquila Lane and Delaware Basin Road.

3. **Case No. 15819:** *Application of Cimarex Energy Co. for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Applicant seeks an order from the Division: (1) creating a non-standard 640-acre, more or less, spacing and proration unit in the Wolfcamp formation comprised of the E/2 of Sections 23 and 26, Township 15 South, Range 26 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Wigeon 23 Federal Com 4H well**, to be horizontally drilled. The producing area for this well will be 330 feet from the project area boundary. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles south of Carlsbad, New Mexico.

4. **Case No. 15414 (re-opened):** *Application of RKI Exploration and Production, LLC to Re-Open Case No. 15414 To Pool The Interests Of Record Title Owners Under The Terms Of Compulsory Pooling Order R-14104, Eddy County, New Mexico.* Applicant in the above-styled cause seeks to amend Division Order R-14104 to include the pooling of record title owners in the Wolfcamp formation underlying the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. Said unit is dedicated to the **RDX Federal Com 28 No. 9H Well** and is located 10.5 miles southwest of Ross Place, New Mexico.

5. **Case No. 15820:** *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 320-acre, more or less, spacing and proration unit comprised of the E/2 W/2 of Section 9 and the E/2 W/2 of Section 16, Township 21 South, Range 33 East, New Mexico; and (2) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Boone 16 State Com No. 3H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 21 to a standard bottom hole location in the NE/4 NW/4 (Unit C) of Section 9. 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 25 miles northwest of Eunice, New Mexico.

6. **Case No. 15775:** *(Continued from the August 31, 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 323.00-acre spacing and proration unit comprised of the N/2 N/2 of Section 3 and the N/2 N/2 of Section 4, 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 4-3 State Com No. 21H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 4 to a standard bottom hole location in NE/4 NE/4 (Lot 1) of Section 3. 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.

7. **Case No. 15807:** *(Continued from the August 31, 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, more or less, non-standard spacing and proration unit comprised of the N/2 S/2 of Section 3 and the N/2 S/2 of Section 4, 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 4-3 State

Com No. 23H Well, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 4 to a standard bottom hole location in NE/4 SE/4 (Unit I) of Section 3. 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.

**8. Case No. 15808: Continued from the August 31, 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, more or less, non-standard spacing and proration unit comprised of the S/2 S/2 of Section 3 and the S/2 S/2 of Section 4, 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 4-3 State Com No. 24H Well, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 4 to a standard bottom hole location in SE/4 SE/4 (Unit P) of Section 3. 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.

**9. Case No. 15809: (Continued from the August 31, 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, more or less, non-standard spacing and proration unit comprised of the S/2 N/2 of Section 3 and the S/2 N/2 of Section 4, 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 4-3 State Com No. 22H Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 4 to a standard bottom hole location in SE/4 NE/4 (Unit H) of Section 3. 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.

**10. Case No. 15673 (re-opened): Application of Mewbourne Oil Company to re-open Case No. 15673 for a nonstandard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 480 acre non-standard spacing and proration unit in the Wolfcamp formation underlying the E/2 of Section 12 and the SE/4 of Section 1, Township 25 South, Range 27 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the **Devon 12/1 W2PI Fee Com. Well No. 1H**, a horizontal well with a surface location in the NE/4 NE/4 of adjoining Section 13, and a terminus in the NE/4 SE/4 of Section 1. The beginning and end of the producing 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 7 miles southwest of Malaga, New Mexico.

**11. Case No. 15689 (re-opened): Application of Mewbourne Oil Company to re-open Case No. 15689 for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 480 acre non-standard spacing and proration unit in the Wolfcamp formation underlying the SE/4 of Section 23 and the E/2 of Section 24, Township 24 South, Range 28 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to (a) the **Queen 23/24 W0OP Fed. Com. Well No. 1H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 23 and a terminus in the SE/4 SE/4 of Section 24, and (b) the **Queen 23/24 W2OP Fed. Com. Well /4 o. 2H**, a horizontal well with a surface location in the SE/4 SW/4 of Section 23 and a terminus in the SE/4 SE/4 of Section 24. The beginning and end of the producing interval in each well will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 2-1/2 miles southeast of Malaga, New Mexico.

**12. Case No. 15821: Application of Kaiser-Francis Oil Company for pool creation and special pool rules, Lea County, New Mexico.** Applicant seeks an order (i) creating a new pool for horizontal development of the Bone Spring formation, designated the South Bell Lake-Bone Spring Pool, and (ii) instituting special rules and regulations for the pool. The new pool will include Section 36 of Township 23 South, Range 33 East, NMPM, Sections 31 and 32 of Township 23 South, Range 34 East, NMPM, Sections 1 and 12 of Township 24 South, Range 33 East, NMPM, and Sections 5-8 of Township 24 South, Range 34 East, NMPM.