

NOTICE OF HEARINGS

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division (“Division”) hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely.

The hearings will be conducted on Thursday, February 2, 2023, beginning at 8:15 a.m.

To participate in the hearings, see the instructions posted below.

The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov.

Documents filed in these cases may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than January 22, 2023.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m334a963c67adc50993a4f8b1f3e03b53>

Webinar number: 2481 748 1966

Panelist password: G3xRc2Bq6Jp (43972227 from phones and video systems)

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Access code: 2481 748 1966

Note: All land descriptions refer to the New Mexico Principal Meridian.

1. Case No. 23295: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 W/2 of Sections 12 and 13, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are as follows: the Showbiz 13-12 State Com 101H Well, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12; the Showbiz 13-12 State Com 201H Well, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12; and the Showbiz 13-12 State Com 301H Well, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12. The wells will be orthodox, and the take points and completed intervals will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15.5 miles north-northeast of Halfway, New Mexico. **(Continued to: Thursday, February 16, 2023)**

2. Case No. 23296: Application of Earthstone Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the First Bone Spring formation underlying a 319.86-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 34, Township 19 South, Range 33 East, and Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 3, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the proposed Jade 34-3 Fed 1BS Com 12H well ("Well"), to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 34, Township 19 South, Range 33 East to a proposed bottom hole location in the SE/4 SE/4 (Unit P) of Section 3, Township 20 South, Range 33 East. The completed interval of the Well will be orthodox. Due to a depth severance, Applicant seeks to pool interests from the top of the Bone Spring Formation to the base of the First Bone Spring formation at a stratigraphic equivalent of approximately 9,560' TVD. 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 is located approximately 30 miles southwest of Hobbs, New Mexico.

3. Case No. 23297: Application of Earthstone Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the First Bone Spring formation underlying 319.95-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 34, Township 19 South, Range 33 East, and Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the proposed Jade 34-3 Fed 1BS Com 11H well ("Well"), to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 34, Township 19 South, Range 33 East to a proposed bottom hole location in the SW/4 SE/4 (Unit O) of Section 3, Township 20 South, Range 33 East. The completed interval of the Well will be orthodox. Due to a depth severance, Applicant seeks to pool interests from the top of the Bone Spring Formation to the base of the First Bone Spring formation at a stratigraphic equivalent of approximately 9,560' TVD. 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 is located approximately 30 miles southwest of Hobbs, New Mexico.

4. Case No. 23298: Application of Mewbourne Oil Company to re-open Case No. 22639 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 22 and the S/2S/2 of Section 2, Township 18 South, Range 29 East, NMPM, for the purpose of obtaining approval of a communitization agreement from the Bureau of Land Management. The unit will be dedicated to the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4SE/4 of Section 22 and a last take point in the SW/SW/4 of Section 21. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 8-1/2 miles southwest of Loco Hills, New Mexico.

5. Case No. 23299: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of Lots 7 and 8 of Section 5 and Lots 5-8 of Section 4, Township 21 South, Range 27 East, NMPM. The unit will be dedicated to the Tough Ombres 5/4 W0GH Fed. Com. Well No. 1H, with a first take point in Lot 7 of Section 5 and a last take point in Lot 8 of Section 4. Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the well. The unit is located approximately 7 miles north-northeast of Carlsbad, New Mexico.

6. Case No. 23300: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 1 and the W/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM. The unit will be dedicated to the Bondurant 1/12 B2BO Fed. Well No. 1H, with a first take point in the NW/4NE/4 of Section 1 and a last take point in the SW/4SE/4 of Section 12. Also to be considered will be the cost of drilling, completing, testing, and equipping 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, completing, testing, and equipping the well. The unit is located approximately 9 miles north-northeast of Halfway, New Mexico.

7. Case No. 23301: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 1 and the E/2E/2 of Section 12, Township 19 South, Range 32 East, NMPM. The unit will be dedicated to the Bondurant 1/12 B2AP Fed. Well No. 1H, with a first take point in the NE/4NE/4 of Section 1 and a last take point in the SE/4SE/4 of Section 12. Also to be considered will be the cost of drilling, completing, testing, and equipping 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, completing, testing, and equipping the well. The unit is located approximately 9 miles north-northeast of Halfway, New Mexico.

8. Case No. 23302: Application of Ridge Runner Resources Operating, LLC for Extension to Commence Drilling Operations, Lea County, New Mexico. Ridge Runner Resources Operating, LLC (“Applicant”) seeks an order amending Order No. R-21586-A to extend the deadline to commence drilling operations to one year from the date of the amended order. Order No. R-21586 pooled all uncommitted mineral interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the SW/4 of Section 3 and the W/2 of Section 10, Township 20 South, Range 35 East in Lea County, New Mexico and dedicated the unit to the Thunderbird 3-10 Fed Com B #1H, 2H, 3H, and 4H wells (“Wells”). Order No. R-21586-A extended the deadline to commence drilling the Wells until January 21, 2023. Applicant requests the Division amend Order No. R-21586-A to extend the deadline to commence drilling the Wells to one year from the date an amended order is entered. The Wells are located approximately 13 miles west of Monument, New Mexico.

9. Case No. 23303: Application of COG Operating LLC for Compulsory Pooling, Eddy County, New Mexico. COG Operating LLC (“Applicant”) seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,920-acre, more or less, standard horizontal spacing unit comprised of Sections 28 and 33 of Township 25 South, Range 27 East, and Section 4 of Township 26 South, Range 27 East, Eddy County, New Mexico (“Unit”). Applicant seeks to dedicate the Unit to the following proposed wells (“Wells”): the Flaming Snail Fed Com 701H, Flaming Snail Fed Com 702H, Flaming Snail Fed Com 703H, Flaming Snail Fed Com 801H, and Flaming Snail Fed Com 802H, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 4, Township 26 South, Range 27 East; the Flaming Snail Fed Com 704H, Flaming Snail Fed Com 705H, and Flaming Snail Fed Com 803H, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 4, Township 26 South, Range 27 East; the Flaming Snail Fed Com 706H, Flaming Snail Fed Com 707H, Flaming Snail Fed Com 708H, Flaming Snail Fed Com 804H, and Flaming Snail Fed Com 805H, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 4, Township 26 South, Range 27 East; and the Flaming Snail Fed Com 709H, Flaming Snail Fed Com 710H, and Flaming Snail Fed Com 806H, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4, Township 26 South, Range 27 East. The completed intervals of the Wells will be orthodox. The completed interval of the Flaming Snail Fed Com 706H well will be located within 330’ of the quarter-quarter section line separating the E/2 and W/2 of Sections 28 and 33, Township 25 South, Range 27 East, and Section 4, Township 26 South, Range 27 East, to allow for the creation of a 1,920-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 22 miles south of Carlsbad, New Mexico.

10. Case No. 23304: Application of COG Operating LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Eddy County, New Mexico. COG Operating LLC (“Applicant”) seeks an order: (1) establishing a 1,920-acre, more or less, non-standard horizontal spacing unit comprised of Sections 28 and 33 of Township 25 South, Range 27 East, and Section 4 of Township 26 South, Range 27 East, Eddy County, New Mexico (“Unit”); and (2) pooling all uncommitted interests in the Bone Spring formation underlying the Unit. Applicant seeks to dedicate the Unit to the following proposed wells (“Wells”): the Flaming Snail Fed Com 501H and Flaming Snail Fed Com 520H, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 4, Township 26 South, Range 27 East; the Flaming Snail Fed Com 502H, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 28, Township 25 South, Range 27 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 4, Township 26 South, Range 27 East; the Flaming Snail Fed Com 503H and Flaming Snail Fed Com 521H, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 4, Township 26 South, Range 27 East; and the Flaming Snail Fed Com 504H, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 27 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4, Township 26 South, Range 27 East. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 22 miles south of Carlsbad, New Mexico.

11. Case No. 23305: Application of Spur Energy Partners LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 and N/2 S/2 of Section 14, Township 17 South, Range 32

East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Miller 14 Federal Com 10H, Miller 14 Federal Com 20H, and Miller 14 Federal Com 70H, to be drilled from surface hole locations in the SW/4 NW/4 (Unit E) of Section 13, Township 17 South, Range 32 East, to bottom hole locations in the NW/4 NW/4 (Unit E) of Section 14, Township 17 South, Range 32 East; and the Miller 14 Federal Com 21H and Miller 14 Federal Com 71H, to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 13, Township 17 South, Range 32 East, to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 14, Township 17 South, Range 32 East. The completed intervals of the wells will be orthodox. The completed interval of the Miller 14 Federal Com 10H well will be located within 330' of the quarter-quarter section line separating the S/2 N/2 and N/2 S/2 of Section 14 to allow for the creation of a 320-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 2.64 miles southeast of Maljamar, New Mexico.

12. Case No. 23306: Application of Spur Energy Partners LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Section 10, Township 17 South, Range 32 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Nelson 10 Federal #10H, Nelson 10 Federal #20H, and Nelson 10 Federal #70H, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 15, Township 17 South, Range 32 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 10, Township 17 South, Range 32 East; and the Nelson 10 Federal #11H, Nelson 10 Federal #60H, and Nelson 10 Federal #71H, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 15, Township 17 South, Range 32 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 10, Township 17 South, Range 32 East. The completed intervals of the wells will be orthodox. The completed interval of the Nelson 10 Federal #71H well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and E/2 W/2 of Section 10 to allow for the creation of a 320-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 1.25 miles south-southeast of Maljamar, New Mexico.

13. Case No. 23307: Application of Crockett Operating, LLC for compulsory pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the San Andres formation underlying a standard 480-acre horizontal well spacing unit comprised of the E/2 of Section 31 and the SE/4 of Section 30, Township 13 South, Range 38 East, NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the proposed Ackbar 30 31 A Fee 5H well to be horizontally drilled from a surface location in NW/4SE/4 (Unit J) of Section 30 to a bottom hole location in SW/4SE/4 (Unit O) of Section 31, Township 13 South, Range 38 East. The completed interval of this initial well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles Southeast of Tatum, New Mexico.

14. Case No. 23308: Application of Mewbourne Oil Company for Approval of a 1,280-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 1,280-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Sections 9 and 4, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the following proposed wells:

- Cow Bell 9/4 B3PA Fed Com 1H to be horizontally drilled from a surface location in the SW4SE4 (Unit O) of Section 9 to a bottom hole location in Lot 1 of Section 4.
- Cow Bell 9/4 B3OB Fed Com 1H to be horizontally drilled from a surface location in the SW4SE4 (Unit O) of Section 9 to a bottom hole location in Lot 2 of Section 4.
- Cow Bell 9/4 B3NC Fed Com 1H to be horizontally drilled from a surface location in the SE4SW4 (Unit N) of Section 9 to a bottom hole location in Lot 3 of Section 4.
- Cow Bell 9/4 B3MD Fed Com 1H to be horizontally drilled from a surface location in the SE4SW4 (Unit N) of Section 9 to a bottom hole location in Lot 4 of Section 4.

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southwest of Lovington, New Mexico.

15. Case No. 23309: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 318.16-acre, more or less, horizontal spacing and proration unit comprised of the Lots 1 through 4 (W/2 W/2 equivalent) of Sections 19 and 30, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (including the Harkey), designated as an oil pool, underlying the unit. Sections 19 and 30 are irregular correction sections. The proposed well to be dedicated to the horizontal spacing unit is the Heroes 19-30 Fee Fed Com 1H Well, an oil well, to be horizontally drilled from a surface location in NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in Lot 4 (SW/4 SW/4, equivalent) of Section 30. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

16. Case No. 23310: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the E/2 W/2 of Sections 19 and 30, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (including the Harkey) designated as an oil pool, underlying the unit. Sections 19 and 30 are irregular sections containing correction lots; however, the proposed unit does not contain lots. The proposed well to be dedicated to the horizontal spacing unit is the Heroes 19-30 Fee Fed Com 2H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

17. Case No. 23311: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 638.16-acre, more or less, spacing and proration unit comprised of the Lots 1 through 4 (W/2 W/2 equivalent) and E/2 W/2 of Sections 19 and 30 (also described as the W/2 equivalent of Sections 19 and 30), Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, designated as a gas pool, underlying the unit. Sections 19 and 30, which include lots, are irregular sections. The proposed wells to be dedicated to the horizontal spacing unit are the Heroes 19-30 Fee Fed Com 3H Well, a gas well, to be horizontally drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of Section 19 to a bottom hole location in Lot 4 (SW/4 SW/4 equivalent) of Section 30; the Heroes 19-30 Fee Fed Com 4H Well, a gas well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30; the Heroes 19-30 Fee Fed Com 5H Well, a gas well, to be horizontally drilled from a surface location in the Lot 1 (NW/4 NW/4 equivalent) of Section 19 to a bottom hole location in Lot 4 (SW/4 SW/4, equivalent) of Section 30; and the Heroes 19-30 Fee Fed Com 6H Well, a gas well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30. The well locations will be unorthodox, as the take points do not comply with the setback requirements of the special rules in Order No. R-14262. Applicant will apply for administrative approval of the nonstandard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The well and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

18. Case No. 23312: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Sections 19 and 30, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (which includes the Harkey), designated as an oil pool, underlying the unit. Although Sections 19 and 30 are irregular and contain lots, the proposed unit does not contain lots. The proposed well to be dedicated to the horizontal spacing unit is the Heroes 19-30 Fee Fed Com 7H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 30. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as

Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

19. Case No. 23313: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 320-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Sections 19 and 30, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. Although Sections 19 and 30 are irregular and contain lots; however, the proposed unit does not contain lots. The proposed well to be dedicated to the horizontal spacing unit is the Heroes 19-30 Fee Fed Com 8H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 30. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

20. Case No. 23314: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 19 and 30, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, designated as a gas pool, underlying the unit. Sections 19 and 30, which include lots, are irregular sections, but the proposed unit does not include lots. The proposed wells to be dedicated to the horizontal spacing unit are the Heroes 19-30 Fee Fed Com 9H Well, a gas well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 30; the Heroes 19-30 Fee Fed Com 10H Well, a gas well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 30; the Heroes 19-30 Fee Fed Com 11H Well, a gas well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 30; and the Heroes 19-30 Fee Fed Com 12H Well, a gas well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 19 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 30. The well locations will be unorthodox for this Wolfcamp formation, as the take points do not comply with the setback requirements of the special rules in Order No. R-14262. Applicant will apply for administrative approval of the nonstandard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Loving, New Mexico, and approximately 7.5 miles north of the state line.

21. Case No. 23315: Application of Silverback Operating II, LLC, for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the New Mexico Oil Conservation Division ("Division"): (1) N/2 S/2 of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation (Atoka; Glorieta-Yeso [Pool Code 3250]), designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Krauss 22 #103H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 22 to a bottom hole location in the NW/4 SW/4 (Unit L) of same Section 22; the Krauss 22 #203H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NW/4 SW/4 (Unit L) of same Section 22; the Krauss 22 #102H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NW/4 SW/4 (Unit L) of same Section 22; and the Krauss 22 #204H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 22 to a bottom hole location in the NW/4 SW/4 (Unit L) of same Section 22. The Krauss 22 #103H, 203H and 204H Wells will be orthodox in their locations, as the take points and completed interval will comply with the setback requirements under the statewide Rules; however, the Krauss 22 #102H Well will be unorthodox in its location, and Applicant will apply to the Division for administrative approval of the nonstandard location. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7.8 miles south, southeast, of Artesia, New Mexico.

22. Case No. 23316: Application of Silverback Operating II, LLC, for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the New

Mexico Oil Conservation Division ("Division"): (1) S/2 S/2 of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation (Atoka; Glorieta-Yeso [Pool Code 3250]), designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Krauss 22 #101H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of same Section 22; the Krauss 22 #201H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of same Section 22; and the Krauss 22 #202H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of same Section 22. The Krauss 22 #101H and 201H Wells will be orthodox in their locations, as the take points and completed interval will comply with the setback requirements under the statewide Rules; however, the Krauss 22 #202H Well will be unorthodox in its locations, and Applicant will apply to the Division for administrative approval of the nonstandard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7.8 miles south, southeast, of Artesia, New Mexico.

23. Case No. 23317: Application of Mewbourne Oil Company for Compulsory Pooling and to Vacate Division Pooling Orders R-22377 and R-22378, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) pooling all uncommitted interests in the Bone Spring formation underlying a non-standard 640-acre, more or less, horizontal spacing unit comprised of the E2 of Sections 15 and 10, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) upon approval of this application vacating Division pooling Orders R-22377 and R-22378. This 640-acre non-standard horizontal well spacing unit in the Mescalero Escarpe; Bone Spring Pool (Pool Code 45793) has been approved by the Division under Administrative Order NSP-2144. This non-standard horizontal spacing unit is to be initially dedicated to the proposed Bravos 15-10 B2OB Fed Com 1H and Bravos 15 10 B2PA Federal Com 1H wells to be horizontally drilled from a surface location in the SE4SE4 (Unit P) of Section 15 to bottom hole locations, respectively, in NW4NE4 (Unit B) and the NE4NE4 (Unit A) of Section 10. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southwest of Lovington, New Mexico.

24. Case No. 23318: Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 639.23-acre, more or less, horizontal spacing unit comprised of Lots 1 & 2, S2NE, SE (E2 equivalent) of irregular Section 2 and E2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells:

- Redtail Federal Com 501H and Redtail Federal Com 502H to be horizontally drilled from a surface location in the NE4NE4 (Lot 1) of Section 2 to bottomhole locations in the SE4SE4 (Unit P) of Section 11.
- Redtail Federal Com 503H to be horizontally drilled from a surface location in the NE4NE4 (Lot 1) of Section 2 to a bottomhole location in the SW4SE4 (Unit O) of Section 11.
- Redtail Federal Com 602H and Redtail Federal Com 604H to be horizontally drilled from a surface location in the NW4NE4 (Lot 2) of Section 2 to bottomhole locations, respectfully, in the SE4SE4 (Unit P) of Section 11 and SW4SE4 (Unit O) of Section 11.

The completed interval of the proposed Redtail Federal Com 502H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

25. Case No. 23319: Application of COG Operating LLC for Compulsory Pooling and Approval of Overlapping Spacing Unit, Lea County, New Mexico. Applicant in the above-styled cause seeks (a) an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 639.29-acre, more or less, horizontal spacing unit comprised of Lots 3 & 4, S2NW, SW (W2 equivalent) of irregular Section 2 and W2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (b) approving, as necessary, this overlapping spacing unit. Said unit will be initially dedicated to following proposed wells:

- Redtail Federal Com 504H and Redtail Federal Com 505H wells, to be horizontally drilled from a surface location in the NW4NW4 (Lot 4) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of Section 11.
- Redtail State Com 506H well, to be horizontally drilled from a surface location in the NW4NW4 (Lot 4) of Section 2 to a bottomhole location in the SW4SW4 (Unit M) of Section 2.
- Redtail Federal Com 606H and Redtail Federal Com 608H wells, to be horizontally drilled from a surface location in the NE4NW4 (Lot 3) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of

Section 11.

The completed interval of the proposed Redtail Federal Com 505H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. This proposed horizontal well spacing unit will overlap the following existing spacing units in the W2 of Section 11:

- A 160-acre spacing unit comprised of the W2W2 of Section 11 that is currently dedicated to the Urraca 11 SB Federal Com 4H (30-025-41968) currently producing from the Bone Spring formation.
- A 160-acre spacing unit comprised of the E2W2 of Section 11 that is currently dedicated to the Urraca 23 32 11 Federal Com 24H (30-025-42226) currently producing from the Bone Spring formation.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

26. Case No. 23320: Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 639.23-acre, more or less, horizontal spacing unit comprised of Lots 1 & 2, S2NE, SE (E2 equivalent) of irregular Section 2 and E2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Redtail Federal Com 701H and Redtail Federal Com 703H wells, both to be horizontally drilled from a surface location in the NW4NE4 (Lot 2) of Section 2 to bottomhole locations, respectively, in the SE4SE4 (Unit P) and the SW4SE4 (Unit O) of Section 11. The completed interval of the proposed Redtail Federal Com 703H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

27. Case No. 23321: Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 639.29-acre, more or less, horizontal spacing unit comprised of Lots 3 & 4, S2NW, SW (W2 equivalent) of irregular Section 2 and W2 of Section 11, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Redtail Federal Com 705H and Redtail Federal Com 707H wells, to be horizontally drilled from a surface location in the NE4NW4 (Lot 3) of Section 2 to bottomhole locations, respectively, in the SE4SW4 (Unit N) and the SW4SW4 (Unit M) of Section 11. The completed interval of the proposed Redtail Federal Com 707H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 25 miles east of Malaga, New Mexico.

28. Case No. 23322: Application of OXY USA Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral owners in the Wolfcamp formation underlying a standard 1,278.62-acre, more or less, horizontal well spacing unit comprised of Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County New Mexico. Oxy seeks to initially dedicate the proposed standard horizontal well spacing unit to the following drilled and completed wells:

the Tails CC 10-3 Federal Com 31H, 32H, and 33H Wells which have been drilled from a common surface location in the SE/4 SW/4 (Unit N) of Section 10 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of Section 3;

the Tails CC 10-3 Federal Com 34H, 35H, and 36H Wells which have been drilled from a common surface location in the SW/4 SE/4 (Unit O) of Section 10 to bottomhole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 3; and

the Tails CC 10-3 Federal Com 38H and 312H Wells which have been drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 15 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NE/4 (Unit B) of Section 3.

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is approximately 8 miles southeast of Loving, New Mexico.

29. Case No. 23323: Application of Chevron Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 3 and 10 within Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be

initially dedicated to the proposed CB Amilyn 10 3 Fed Com P13 401H, 402H and 403H wells, which will be horizontally drilled from a common surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to bottom hole locations in the NW/4 NW/4 (Unit D) and the NE/4 NW/4 (Unit C) of Section 3. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 2.5 miles northeast of Loving, New Mexico.

30. Case No. 23324: Application of Mewbourne Oil Company for compulsory pooling, and approval of a non-standard spacing and proration unit, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2 of Section 23 and the S/2 of Section 24, Township 21 South, Range 27 East, NMPM. The unit will be dedicated to: (a) the Chile Verde W0LI 23/24 Fed. Com. Well No. 1H, a horizontal well with a first take point in the NW/4SW/4 of Section 23 and a last take point in the NE/4SE/4 of Section 24; and (b) the Chile Verde W0MP 23/24 Fed. Com. Well No. 1H, a horizontal well with a first take point in the SW/4SW/4 of Section 23 and a last take point in the SE/4SE/4 of Section 24. Applicant requests that the wells be dedicated to a non-standard 640-acre spacing and proration unit in the Lone Tree Draw-Wolfcamp (oil) Pool. Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the wells. The well unit is located approximately 4 miles northeast of Carlsbad, New Mexico.

31. Case No. 22701: Application of Legacy Reserves Operating LP for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 480-acre, more or less, spacing and proration unit comprised of the E $\frac{1}{2}$ of Section 33, Township 18 South, Range 31 East, N.M.P.M., and NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the: (1) Jet Federal Com 401H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M.; (2) Jet Federal Com 402H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M.; (3) Jet Federal Com 501H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M.; (4) Jet Federal Com 502H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M.; (5) Jet Federal Com 601H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M.; and (6) Jet Federal Com 602H Well, to be horizontally drilled from an approximate surface location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, T18S-R31E, to a bottom hole location in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 19 South, Range 31 East, N.M.P.M. The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 28 miles northeast of Carlsbad, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Wednesday, January 4, 2023

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Dylan Fuge
Acting Director, Oil Conservation Division**