

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, August 4, 2022, 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@state.nm.us.

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@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than July 24, 2022.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e31b6024829fa0829142b9c9807b258c8>

Event number: 2495 753 5306

Event password: T7ybfdyU8S3

Join by video: 24957535306@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your meeting number

Numeric Password: 533394

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 2495 753 5306

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

1. Case No. 22924: Application of Invito Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant applies for an order pooling all uncommitted mineral interests in the San Andres formation underlying a 160-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of Section 1, Township 9 South, Range 33 East, Lea County, New Mexico. The Unit will be dedicated to the Palisade #1H well (“Well”) to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 12, Township 9 South, Range 33 East, to a bottom hole location in Lot 1 of Section 1, Township 9 South, Range 33 East. The completed 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, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.35 miles west of Crossroads, New Mexico.

2. Case No. 22925: Application of Invito Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant applies for an order pooling all uncommitted mineral interests in the San Andres formation underlying a 160-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 E/2 of Section 12, Township 9 South, Range 33 East, Lea County, New Mexico. The Unit will be dedicated to the Wagoneer #1H well (“Well”) to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 1, Township 9 South, Range 33 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 12, Township 9 South, Range 33 East. The completed 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, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well are located approximately 10.35 miles west of Crossroads, New Mexico.

3. Case No. 22926: Application of COG Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the E/2 of Sections 10 and 15, Township 22 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells ("Wells"): Yeah Yeah Federal Com #501H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15; Yeah Yeah Federal Com #502H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15; Yeah Yeah Federal Com #503H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15; Yeah Yeah Federal Com #601H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15; Yeah Yeah Federal Com #605H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 15; and Yeah Yeah Federal Com #606 well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 15. The completed intervals of the wells will be orthodox. The completed interval of the Yeah Yeah Federal Com #502H well will be located within 330' of the quarter-quarter section line separating the W/2 E/2 and E/2 E/2 of Sections 10 and 15 to allow for the creation of a 640-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, 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 18 miles west of Eunice, New Mexico.

4. Case No. 22927: Application of COG Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

Applicant applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 10 and 15, Township 22 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells ("Wells"): Yeah Yeah Federal Com #504H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15; Yeah Yeah Federal Com #505H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15; Yeah Yeah Federal Com #602H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15; Yeah Yeah Federal Com #603H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15; Yeah Yeah Federal Com #604H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 10 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15; and Yeah Yeah Federal Com #607H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 10 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15. The completed intervals of the wells will be orthodox. The completed interval of the Yeah Yeah Federal Com #504H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 10 and 15 to allow for the creation of a 640-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, 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 18 miles west of Eunice, New Mexico.

5. Case No. 22928: Application of Oxy USA, Inc. 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 480-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 1 and 12, Township 22 South, Range 32 East, and the W/2 W/2 of Section 36, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed Paw Swap 12-36 Fed Com #11H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 13, Township 22 South, Range 32 East to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 36, Township 21 South, Range 32 East, NMPM, Lea County. The completed interval of the well will comply with statewide setback requirements for oil wells. 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 Applicant as operator of the well, and a 200% charge for risk involved in drilling and completing said well. Said area is located approximately 28 miles west of Eunice, New Mexico.

6. Case No. 22929: Application of Tap Rock Operating, LLC for compulsory pooling, Eddy County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the S/2 of Sections 13 and 14, Township 25 South, Range 25 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Cold Snack Federal Com #153H to be horizontally drilled from a surface hole location in the NW/4SW/4 of Section 14 to a bottom hole location in the NE/4SE/4 of Section 13,
- Cold Snack Federal Com #154H to be horizontally drilled from a surface hole location in the NW/4SW/4 of Section 14 to

a bottom hole location in the SE/4SE/4 of Section 13.

The completed interval for the Cold Snack Federal Com #153H will be within 330' of the quarter-quarter line separating the N/2S/2 from the S/2S/2 of Sections 13 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 3.1 miles south of Whites City, New Mexico.

7. Case No. 22930: Application of Tap Rock Operating, LLC for compulsory pooling, Eddy County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the N/2 of Sections 13 and 14, Township 25 South, Range 25 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Cold Snack Federal Com #151H to be horizontally drilled from a surface hole location in the SW/4NW/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 13, and
- Cold Snack Federal Com #152H to be horizontally drilled from a surface hole location in the SW/4NW/4 of Section 14 to a bottom hole location in the SE/4NE/4 of Section 13.

The completed interval for the Cold Snack Federal Com #152H will be within 330' of the quarter-quarter line separating the N/2N/2 from the S/2N/2 of Sections 13 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 3.1 miles south of Whites City, New Mexico.

8. Case No. 22931: Application of Tap Rock Operating, LLC for compulsory pooling, Eddy County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the N/2 of Sections 13 and 14, Township 25 South, Range 25 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Cold Snack Federal Com #211H and Cold Snack Federal Com #231H to be horizontally drilled from a surface hole location in the SW/4NW/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 13,
- Cold Snack Federal Com #212H and Cold Snack Federal Com #232H to be horizontally drilled from a surface hole location in the SW/4NW/4 of Section 14 to a bottom hole location in the SE/4NE/4 of Section 13.

Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 3.1 miles south of Whites City, New Mexico.

9. Case No. 22932: Application of Tap Rock Operating, LLC for compulsory pooling, Eddy County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the S/2 of Sections 13 and 14, Township 25 South, Range 25 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Cold Snack Federal Com #214H and Cold Snack Federal Com #234H to be horizontally drilled from a surface hole location in the NW/4SW/4 of Section 14 to a bottom hole location in the SE/4SE/4 of Section 13,
- Cold Snack Federal Com #213H and Cold Snack Federal Com #233H to be horizontally drilled from a surface hole location in the NW/4SW/4 of Section 14 to a bottom hole location in the NE/4SE/4 of Section 13.

Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 3.1 miles south of Whites City, New Mexico.

10. Case No. 22933: Application of Tap Rock Operating, LLC for compulsory pooling, Lea County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Double Stamp Fed Com #113H, Double Stamp Fed Com #123H, Double Stamp Fed Com #126H, Double Stamp Fed Com #133H, Double Stamp Fed Com #153H and Double Stamp Fed Com #173H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NW/4NE/4 of Section 11, and
- Double Stamp Fed Com #114H, Double Stamp Fed Com #116H, Double Stamp Fed Com #124H, Double Stamp Fed Com #128H, Double Stamp Fed Com #134H, Double Stamp Fed Com #136H, Double Stamp Fed Com #154H and Double Stamp Fed Com #174H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 11.

The completed interval for the Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating

the W/2E/2 from the E/2E/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 35 miles southwest of Hobbs, New Mexico.

11. Case No. 22934: Application of Tap Rock Operating, LLC for compulsory pooling, Lea County, New Mexico.

Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Double Stamp Fed Com #111H, Double Stamp Fed Com #115H, Double Stamp Fed Com #121H, Double Stamp Fed Com #125H, Double Stamp Fed Com #131H, Double Stamp Fed Com #135H, Double Stamp Fed Com #151H, and Double Stamp Fed Com #171H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NW/4NW/4 of Section 11, and
- Double Stamp Fed Com #112H, Double Stamp Fed Com #122H, Double Stamp Fed Com #127H, Double Stamp Fed Com #132H, Double Stamp Fed Com #152H, and Double Stamp Fed Com #172H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NE/4NW/4 of Section 11.

The completed interval for the Double Stamp Fed Com #115H will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 35 miles southwest of Hobbs, New Mexico.

12. Case No. 22935: Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico.

Pride Energy Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a 157.83 acre horizontal spacing unit comprised of Lots 3, 6, 11, and 14 of Section 2, Township 21 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The unit will be dedicated to the Grama Ridge State Com. Well Nos. 101H and 201H, to be drilled to depths sufficient to test the Bone Spring formation. The wells have first take points in Lot 14 and last take points in Lot 3 of Section 2. 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 unit is located approximately 17-1/2 miles east-southeast of Halfway, New Mexico.

13. Case No. 22936: Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico.

Pride Energy Company seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a 157.83 acre horizontal spacing unit comprised of Lots 3, 6, 11, and 14 of Section 2, Township 21 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The unit will be dedicated to the Grama Ridge State Com. Well No. 401H, to be drilled to a depth sufficient to test the Wolfcamp formation. The well has a first take point in Lot 14 and a last take point in Lot 3 of Section 2. 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 17-1/2 miles east-southeast of Halfway, New Mexico.

14. Case No. 22937: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the S2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Fed Com 204H well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

15. Case No. 22938: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Fed Com 203H well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

16. Case No. 22939: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests from the top of the Third Bone Spring Formation to the base of the Bone Spring Formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Federal Com 133H well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

17. Case No. 22940: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests from the top of the Third Bone Spring Formation to the base of the Bone Spring Formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the S2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Federal Com 134H well which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

18. Case No. 22941: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Federal Com 123H well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

19. Case No. 22942: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the S2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Wombat 13 Federal Com 124H well which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 13. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

20. Case No. 22943: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Mad Max 6 Fed Com 134H well ("Well"), which will be horizontally drilled from a surface hole location in Lot 7 of Section 6, Township 20 South, Range 28 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 5, Township 20 South, Range 28 East. The completed 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, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 12 miles northeast of Carlsbad, New Mexico.

21. Case No. 22944: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Mad Max 6 Fed Com 133H well, which will be horizontally drilled from a surface hole location in Lot 7 of Section 6, Township 20 South, Range 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 5, Township 20 South, Range 28 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 cost, 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 12 miles northeast of Carlsbad, New Mexico.

22. Case No. 22945: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Mad Max 6 Fed Com 132H well ("Well"), which will be horizontally drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 1, Township 20 South, Range 27 East to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 5, Township 20 South, Range 28 East. The completed 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, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 12 miles northeast of Carlsbad, New Mexico.

23. Case No. 22946: Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Mad Max 6 Fed Com 131H well ("Well"), which will be horizontally drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 1, Township 20 South, Range 27 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5, Township 20 South, Range 28 East. The completed 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, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 12 miles northeast of Carlsbad, New Mexico.

24. Case No. 22947: Application of EOG Resources, Inc. 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 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- Grackle 23 Fed Com 101H, Grackle 23 Fed Com 301H and the Grackle 23 Fed Com 302H to be drilled from the NW/4 NE/4 (Unit B) of Section 23 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 26.
- Grackle 23 Fed Com 102H, Grackle 23 Fed Com 103H, Grackle 23 Fed Com 303H, Grackle 23 Fed Com 304H, and the Grackle 23 Fed Com 305H to be drilled from the NE/4 NE/4 (Unit A) of Section 23 to a bottomhole location in the SE/4 SE/4 (Unit P) of Section 26.

The completed interval of the Grackle 23 Fed Com 101H and the Grackle 23 Fed Com 303H are 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 under NMAC 19.15.16.15.B(1)(b). 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 15 miles northwest of Jal, New Mexico.

25. Case No. 22948: Application of EOG Resources, Inc. 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 from the top of the 2nd Bone Spring interval to the top of the Wolfcamp formation underlying a standard 320-acre horizontal spacing unit comprised of the W/2 of Section 21, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The proposed pooling interval is the stratigraphic equivalent of 10,449 feet to 12,030 feet subsurface, as found in the Vaca Ridge 21 Fed Com #1 (API:30-025-28641), located in the SW/4SE/4 of Section 21, Township 24 South, Range 34 East, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- Galleon 21 Fed 501H and Galleon 21 Fed 502H, to be drilled from the SW/4 SW/4 (Unit M) to a bottomhole location in the NW/4 NW/4 (Unit D) of Section 21; and
- Galleon 21 Fed 503H and Galleon 21 Fed 504H, to be drilled from the SE/4 SW/4 (Unit N) to a bottomhole location in the NE/4 NW/4 (Unit C) of Section 21.

The completed interval of the Galleon 21 Fed 503H 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 under NMAC 19.15.16.15.B(1)(b). 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 16 miles northwest of Jal, New Mexico.

26. Case No. 22949: Application of Ameredev Operating, LLC for compulsory pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 and E/2 W/2 of Section 28 and the W/2 E/2 and E/2 W/2 of Section 33, Township 25 South, Range 36 East, NMPM, Lea County, New

Mexico. Said unit will be initially dedicated to the proposed Tea Olive Fed Com 25-36-33 104H well, the Tea Olive Fed Com 25-36-33 114H well, and the Tea Olive Fed Com 25-36-33 124H well, all to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico, to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. The completed intervals of the Tea Olive Fed Com 25-36-33 104H well, the Tea Olive Fed Com 25-36-33 114H well, and the Tea Olive Fed Com 25-36-33 124H well, are all 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 under NMAC 19.15.16.15.B(1)(b). Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 4 miles west of Jal, New Mexico.

27. Case No. 22950: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 26 and 35, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Ripley 35-26 WXY Fed Com 3H and the Ripley 35-26 WXY Fed Com 5H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.6 southeast of Malaga, New Mexico.

28. Case No. 22951: Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 26 and 35, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Ripley 35-26 SB Fed Com 201H, Ripley 35-26 SB Fed Com 202H, and Ripley 35-26 SB Fed Com 203H wells to be horizontally drilled. The producing area for the wells will be orthodox. The completed interval for the Ripley 35-26 SB Fed Com 202H well will be less than 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed standard horizontal spacing unit. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.6 southeast of Malaga, New Mexico.

29. Case No. 22952: Application of Enduring Resources, LLC to amend Order No. R-14347 to expand the South Escavada Unit Area, Sandoval County, New Mexico. Applicant seeks an order amending Order No. R-14347 to expand the geographic area of the South Escavada Unit Area. The expansion area includes approximately 160-acres of Allotted Indian lands in the NE/4 of Section 22, Township 22 North, Range 7 West, N.M.P.M., Sandoval County, New Mexico. All other provisions in Order No. R-14347 will remain unchanged. The subject acreage is located approximately 8 miles southwest of Counselor, New Mexico.

30. Case No. 22953: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of W2E2 of Sections 15 and 10, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be initially dedicated to the proposed Bravos 15-10 B2OB Fed Com 1H well to be horizontally drilled from a surface location in the SE4SE4 (Unit P) of Section 15 to a bottom hole location in NW4NE4 (Unit B) 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.

31. Case No. 22954: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of E2E2 of Sections 15 and 10, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be initially dedicated to the proposed Bravos 15-10 B2PA Fed Com 1H well to be horizontally drilled from a surface location in the SE4SE4 (Unit P) of Section 15 to a bottom hole location in 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.

32. Case No. 22955: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 29 and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Uncle Richard State Com #213H well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 32 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 29. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northwest of Jal, New Mexico.

33. Case No. 22956: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 29 and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Uncle Richard State Com #214H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 32 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 29. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northwest of Jal, New Mexico.

34. Case No. 22957: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Wolfcamp formation underlying a standard 318.34-acre, more or less, horizontal well spacing unit comprised of the S/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the Turks Fee 07 211H well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of adjacent Section 18 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 7. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 2 miles northwest of Loving, New Mexico.

35. Case No. 22958: Application of Devon Energy Company, L.P., 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 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Burton Flat 3-1 Fed State Com 621H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location Lot 1 of Section 1; the Burton Flat 3-1 Fed State Com 622H Well, an oil well, to be horizontally drilled from a surface location in the Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1; and the Burton Flat 3-1 Fed State Com 822H Well, an oil well, to be horizontally drilled from a surface location in the Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1. 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 7 miles northeast of Carlsbad, New Mexico.

36. Case No. 22959: Application of Devon Energy Company, L.P., 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 960-acre, more or less, spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in the Lot 9 of Section 1. 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 approval for the overlapping of existing units involving the Burton Flat Deep Unit 52H Well (API No. 30-015-40693) and the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) in Section 2, and Burton Flat Deep Unit 51H Well (API No. 30-015-40681) and the Burton Flat Deep Unit 56H Well (API No. 30-015-40683) in Section 3, all operated by Applicant; 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 7 miles northeast of Carlsbad, New Mexico.

37. Case No. 22960: Application of Devon Energy Company, L.P., 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 823.93-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 332H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1. 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 approval for the overlapping of existing units in Section 2 involving the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) and the Burton Flat Deep Unit 50H Well (API No. 30-015-40758) both operated by Applicant; 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 7 miles northeast of Carlsbad, New Mexico.

38. Case No. 22961: Application of Devon Energy Company, L.P., 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 480-acre, more or less, spacing and proration unit comprised of Lots 5 through 8 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 622H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1. The well 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 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 7 miles northeast of Carlsbad, New Mexico.

39. Case No. 22962: Application of Devon Energy Company, L.P., 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 nonstandard, if necessary, 343.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 4 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Burton Flat 3-1 Fed State Com 621H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location Lot 1 of Section 1, and the Burton Flat 3-1 Fed State Com 822H Well, an oil well, to be horizontally drilled from a surface location in the Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1. 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 issue of whether the spacing unit in these irregular sections should be deemed nonstandard or standard (if deemed nonstandard, Applicant will apply for administrative approval of the nonstandard proration (NSP) unit); 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 miles northeast of Carlsbad, New Mexico.

40. Case No. 22963: Application of Devon Energy Company, L.P., 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 480-acre, more or less, spacing and proration unit comprised of Lots 9 through 12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in the Lot 9 of Section 1. 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 approval for the overlapping of existing units involving the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) in Section 2 and the Burton Flat Deep Unit 51H Well (API No. 30-015-40681) in Section 3, both operated by the Applicant; 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 7 miles northeast of Carlsbad, New Mexico.

41. Case No. 22964: Application of Devon Energy Company, L.P., 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 nonstandard, if necessary, 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 332H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1. 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 approval for the overlapping of existing units involving the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) and the Burton Flat Deep Unit 50H Well (API No. 30-015-40758) in Section 2, both operated by Applicant; the issue of whether the spacing unit in these irregular sections should be deemed nonstandard or standard and the use of proximity tracts if the spacing unit is deemed standard, or application for administrative approval of a nonstandard proration unit (NSP) if deemed nonstandard; 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 7 miles northeast of Carlsbad, New Mexico.

42. Case No. 22965: Application of Devon Energy Company, L.P., 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 22 and 27, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the Haflinger 22-27 Fed Com 621H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and the Haflinger 22-27 Fed Com 711H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. The wells 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 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 29 miles southeast of Loving, New Mexico, and approximately 7 miles north of the state line.

43. Case No. 22966: Application of Devon Energy Company, L.P., 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 E/2 W/2 of Sections 22 and 27, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the Haflinger 22-27 Fed Com 622H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27; and the Haflinger 22-27 Fed Com 712H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. The wells 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 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 29 miles southeast of Loving, New Mexico, and approximately 7 miles north of the state line.

44. Case No. 22967: Application of Devon Energy Company, L.P., 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 22 and 27, Township 25 South, Range 32 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 well to be dedicated to the horizontal spacing unit is the Haflinger 22-27 Fed Com 235H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27. 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 29 miles southeast of Loving, New Mexico, and approximately 7 miles north of the state line.

45. Case No. 22968: Application of Devon Energy Company, L.P., 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 E/2 W/2 of Sections 22 and 27, Township 25 South, Range 32 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 well to be dedicated to the horizontal spacing unit is the Haflinger 22-27 Fed Com 236H Well, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27. 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 29 miles southeast of Loving, New Mexico, and approximately 7 miles north of the state line.

46. Case No. 22969: Application of Cimarex Energy Co. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division to compulsory pool uncommitted record title owners in the Wolfcamp formation [WC-025 G-08 S243213C; Wolfcamp (Code 98309)] underlying a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The well dedicated to the horizontal spacing unit is the Dos Equis 11-14 Federal Com 4H Well, (API No. 30-025-45413), an oil well, horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 11 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 14. The well is orthodox, and the take points and completed interval comply with the setback requirements under the statewide Rules; also to be considered are the designation of the Applicant as Operator of the well and unit, and to the extent necessary, the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 27 miles southeast of Loving, New Mexico.

47. Case No. 22970: Application of Longfellow Energy, LP to Amend Order No. R-21837, Eddy County, New Mexico (Re-Open). Applicant in the above-styled cause seeks to re-open Case No. 21860 for the limited purpose of amending Order No. R-21837 to extend by one year, through September 20, 2023, the time to commence drilling the (1) Marley State Com 31 AB 001H well; (2) Marley State Com 31 AB 002H well; (3) Marley State Com 31 AB 003H well; (4) Marley State Com 31 AB 004H well; and the (5) Marley State Com 31 AB 005H well, proposed to be drilled into the Yeso formation (Red Lake; Glorieta-Yeso, Northeast [96836]) underlying the N/2 of Section 31, Township 17 South, Range 28 East, NMPM, in Eddy County, New Mexico. The well and lands are located approximately 15 miles west of Loco Hills, New Mexico.

48. Case No. 22971: Application of FAE II Operating, LLC for Approval of an Enhanced Oil Recovery Project and to Qualify the Project for the Recovered Oil Tax Rate, Lea County, New Mexico. Applicant applies for an order approving an enhanced oil recovery project (secondary and tertiary recovery) in the South Jal Unit Area by the injection of water and gas into the Yates-Seven Rivers-Queen formation in wells located on approximately 19,369.77 acres of federal, state, and fee lands located in Lea County that include all or parts of: Township 25 South, Range 36 East – Sections 13, 24-26, 36; Township 25 South, Range 37 East – Sections 15, 16, 18, 19, 21-23, 26-28, 30-35; Township 26 South, Range 37 East – Sections 3-10, 15-23, 29, 32. Applicant proposes to: convert four producing wells to injection wells, drill 11 new injection wells, and reactivate one injection well in the Queen Formation; convert five producing wells to injection wells and drill three new injection wells in the Yates Formation; and convert three producing wells to injection wells in the Moberly Rhodes, Yates-Seven Rivers Formation. Applicant seeks authorization to include additional injection wells within the project administratively. Applicant also requests that the enhanced oil recovery project be qualified for the recovered oil tax rate, pursuant to the Enhanced Oil Recovery Act, NMSA 1978, Sections 7-29A-1 to -5, and New Mexico Oil Conservation Division regulations. The project area is centered approximately 2.25 miles South of Jal, New Mexico.

49. Case No. 22972: Application of FAE II Operating, LLC for Statutory Unitization, Lea County, New Mexico. Applicant seeks an order for statutory unitization of the South Jal Unit, which comprises approximately 19,369.77 acres of the following federal, state, and fee lands located in Lea County, New Mexico:
Township 25 South, Range 36 East, 6th P.M.
Section 13: SE
Section 24: E2

Section 25: All
Section 26: E2E2
Section 36: N2, SE
Township 25 South, Range 37 East, 6th P.M.
Section 15: W2W2
Section 16: All
Section 18: Lot 4
Section 19: Lot 1, Lot 2, Lot 3, Lot 4, E2SW
Section 21: All
Section 22: W2NW, S2
Section 23: SW
Section 26: W2, SWSE
Section 27: All
Section 28: All
Section 30: Lot 1, Lot 2, Lot 3, Lot 4, E2W2, W2E2
Section 31: All
Section 32: All
Section 33: All
Section 34: All
Section 35: NW, W2NE, S2
Township 26 South, Range 37 East, 6th P.M.
Section 3: All
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 10: All
Section 15: All
Section 16: All
Section 17: All
Section 18: Lot 1, NENW, E2
Section 19: NE
Section 20: All
Section 21: W2, NE, W2SE
Section 22: N2
Section 23: SWNW
Section 29: All
Section 32: N2N2, Lot 1, Lot 2, Lot 3, Lot 4

The unitized interval extends from the top of the Yates Formation to the base of the Queen Formation. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978, §§ 70-7-1 et seq., will be: the necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the working interest owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. The unit area is centered approximately 2.25 miles South of Jal, New Mexico.

50. Case No. 22973: Application of Catamount Energy Partners, LLC, for Approval of a Non-Standard Horizontal Well Spacing Unit for A Multi-Lateral Well and Compulsory Pooling, San Juan and Rio Arriba Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) creating a 987.58-acre, more or less, non-standard horizontal well spacing unit in the Fruitland Coal formation [Basin Fruitland Coal (Gas) Pool (Pool Code 71629)] underlying all of irregular Section 11 and the W/2 equivalent, the NE/4 equivalent and the NW/4SE/4 of irregular Section 12, Township 32 North, Range 6 West, NMPM, San Juan and Rio Arriba Counties, New Mexico, and (b) pooling the uncommitted mineral owners in this proposed non-standard horizontal well spacing unit. Applicant seeks to initially dedicate the above-referenced spacing unit to the Navajo Lake 32-6-11 No. 1 well, a multi-lateral horizontal well to be drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 10 with a completed horizontal wellbore and three laterals that commence in the W/2 W/2 of irregular Section 11 and extend to bottom hole locations in the NE/4NE/4 equivalent (Lot 1), the NW/4 SE/4 (Unit J) and the SE/4 SW/4 (Unit N) of irregular Section 12. Also, to be considered will be the cost of drilling and completing the multi-lateral horizontal well, 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 the well. Said area is located approximately 19 miles northeast of the town of Navajo Dam, New Mexico.

51. Case No. 22974: (Re-Open) Application of Marathon Oil Permian LLC to Amend Order No. R-20996, Eddy County, New Mexico. Applicant seeks an order from the Division for the limited purposes of amending Order No. R-20996 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20996 pooled uncommitted interest owners in a 1280-acre (more or less) spacing unit underlying Sections 7 and 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. Said area is located approximately 8 miles southwest 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, July 6, 2022

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Adrienne Sandoval
Director, Oil Conservation Division**