

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, September 1, 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 August 21, 2022.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e33e7a9875dc6012993c28c9b1d18f5d1>

Event number: 2484 846 1646

Event password: 2H5AkjpcjP7

Join by video: 24848461646@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your meeting number

Numeric Password: 791411

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

Access code: 2484 846 1646

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

1. Case No. 22975: Application of Kaiser-Francis Oil Company for compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit underlying the N/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 1, NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 1H and the Mosaic Fed. 2419 2BS Well No. 1H, with first take points in the NW/4NW/4 of Section 24 and last take points in the NE/4NE/4 of Section 19. 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 4 miles southwest of Malaga, New Mexico.

2. Case No. 22976: Application of Kaiser-Francis Oil Company for compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit underlying the S/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 2, SE/4NW/4, and S/2NE/4 (the S/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 2H and the Mosaic Fed. 2419 2BS Well No. 2H, with first take points in the SW/4NW/4 of Section 24 and last take points in the SE/4NE/4 of Section 19. 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 4 miles southwest of Malaga, New Mexico.

3. Case No. 22978: Application of Earthstone 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 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 7 and 18, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Thunderbird 18-7 Fed Com 1BS #3H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 18 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 7. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual 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 13 miles southeast of Maljamar, New Mexico.

4. Case No. 22979: Application of Earthstone 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 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 7 and 18, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Thunderbird 18-7 Fed Com 1BS #4H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 18 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 7. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual 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 13 miles southeast of Maljamar, New Mexico.

5. Case No. 22980: Application of Earthstone 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 335.8-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 7 and 18, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be initially dedicated to the proposed Thunderbird 18-7 Fed 2BS Com 5H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 4) of irregular Section 18 to a bottom hole location in the NW/4 NW/4 (Lot 1) of irregular Section 7. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual 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 13 miles southeast of Maljamar, New Mexico.

6. Case No. 22981: Application of Earthstone 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 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 7 and 18, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be initially dedicated to the proposed Thunderbird 18-7 Fed 2BS Com 6H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 4) of irregular Section 18 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual 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 13 miles southeast of Maljamar, New Mexico.

7. Case No. 22982: Application of Redwood Operating LLC for compulsory pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Yeso formation underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Leavitt 13 #4H well to be horizontally drilled from a surface location in the NW/4 SW/4 (Lot 3) of irregular Section 18, Township 18 South, Range 27 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13, Township 18 South, Range 26 East. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual 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 6 miles southeast of Artesia, New Mexico.

8. Case No. 22983: Application of Matador Production Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order order (a) approving a standard 400-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 4 and the W/2 W/2 of Sections 9 and 16, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Marlan Downey State Com #121H well, to be horizontally drilled from a surface location in the N/2 SW/4 of Section 4 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 16. This 400-acre horizontal spacing unit will overlap the following existing horizontal well spacing units covering portions of the subject acreage:

- A 159.97-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 9, Township 23 South,

Range 35 East, dedicated to the Marlan Downey State 09-23S-35E AR #111H well (API: 30-025-44201); and

- A 160.09-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 16, Township 23 South, Range 35 East, dedicated to the Pegasus 23-35-16 State #251H well (API: 30-025-44199).

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 the well. Said area is located approximately 13 miles northwest of Jal, New Mexico.

9. Case No. 22984: 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 Bone Spring formation underlying a standard 400-acre, more or less, horizontal well spacing unit comprised of the E/2 SW/4 of Section 4 and the E/2 W/2 of Sections 9 and 16, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Marlan Downey State Com #122H well, to be horizontally drilled from a surface location in the N/2 SW/4 of Section 4 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 16. 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 the well. Said area is located approximately 13 miles northwest of Jal, New Mexico.

10. Case No. 22987: Application of Matador Production Company for compulsory pooling, Eddy 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 well spacing unit comprised of the N/2 S/2 of Sections 11 and 12, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed David Edelstein State Com #113H well and David Edelstein State Com #123H well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 12 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 11. 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 the wells. Said area is located approximately 8 miles southeast of Carlsbad, New Mexico.

11. Case No. 22988: Application of Matador Production Company for compulsory pooling, Eddy 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 well spacing unit comprised of the S/2 S/2 of Sections 11 and 12, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed David Edelstein State Com #114H well and David Edelstein State Com #124H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 12 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 11. 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 the wells. Said area is located approximately 8 miles southeast of Carlsbad, New Mexico.

12. Case No. 22989: Application of Matador Production Company for Approval of a Non-standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 670.38 acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation comprised of Lots 1-8 of irregular Sections 1 and 2, Township 21 South, Range 28 East, and Lots 3-6 of irregular Section 6, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this non-standard horizontal well spacing unit. The above-referenced unit is the equivalent of the N/2 N/2 of these irregular sections and will be initially dedicated to the following proposed wells:

- o Simon Camamile 0206 Fed Com 111H and Simon Camamile 0206 121H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 3 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 132H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 3 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 112H and Simon Camamile 0206 112H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 6 of irregular Section 6, T-21-S, R-29-E.

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 Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles Northeast of Carlsbad, New Mexico.

13. Case No. 22990: Application of Matador Production Company for Approval of a Non-standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks

an order (a) approving a 670.38 acre, more or less, non-standard horizontal well spacing unit in the Wolfcamp formation comprised of Lots 1-8 of irregular Sections 1 and 2, Township 21 South, Range 28 East, and Lots 3-6 of irregular Section 6, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this non-standard horizontal well spacing unit. The above-referenced unit is the equivalent of the N/2 N/2 of these irregular sections and will be initially dedicated to the following proposed wells:

- o Simon Camamile 0206 Fed Com 201H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 3 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 222H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 3 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 202H to be drilled from a surface location within Lot 5 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 6 of irregular Section 6, T-21-S, R-29-E.

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 Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles Northeast of Carlsbad, New Mexico.

14. Case No. 22991: Application of Matador Production Company for Approval of a Non-standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 780.84 acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation comprised of Lots 9-16 of irregular Sections 1 and 2, Township 21 South, Range 28 East, and Lots 11-14 of irregular Section 6, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this non-standard horizontal well spacing unit. The above-referenced unit is the equivalent of the S/2 N/2 of these irregular sections and will be initially dedicated to the following proposed wells:

- o Simon Camamile 0206 Fed Com 113H and Simon Camamile 0206 Fed Com 123H wells to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 11 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 134H to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 11 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 114H and Simon Camamile 0206 Fed Com 124H wells to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 14 of irregular Section 6, T-21-S, R-29-E.

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 Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles Northeast of Carlsbad, New Mexico.

15. Case No. 22992: Application of Matador Production Company for Approval of a Non-standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 780.84 acre, more or less, non-standard horizontal well spacing unit in the Wolfcamp formation comprised of Lots 9-16 of irregular Sections 1 and 2, Township 21 South, Range 28 East, and Lots 11-14 of irregular Section 6, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this non-standard horizontal well spacing unit. The above-referenced unit is the equivalent of the S/2 N/2 of these irregular sections and will be initially dedicated to the following proposed wells:

- o Simon Camamile 0206 Fed Com 203H to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 11 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 224H to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 11 of irregular Section 6, T-21-S, R-29-E.
- o Simon Camamile 0206 Fed Com 204H to be drilled from a surface location within Lot 13 of irregular Section 2, T-21-S, R-28-E to a proposed bottom hole location within Lot 14 of irregular Section 6, T-21-S, R-29-E.

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 Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles Northeast of Carlsbad, New Mexico.

16. Case No. 22993: Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-21735, Eddy County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-21735. Order No. R-21735 ("Order") pooled all uncommitted interests in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Ithaca 15/14 W0EF Fed Com #1H well ("Well") and designated Applicant as operator of the Unit and Well. Since entry of

the Order, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 10 miles northeast of Carlsbad, New Mexico.

17. Case No. 22994: Application of Mewbourne Oil Company to Pool Additional Interests Under Order No. R-21652, Eddy County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-21652. Order No. R-21652 (“Order”) pooled all uncommitted interests in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the N/2 N/2 of Section 15 and the N/2 NW/4 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico (“Unit”). The Order further dedicated the Unit to the Ithaca 15/14 W0DC Fed Com #1H well (“Well”) and designated Applicant as operator of the Unit and Well. Since entry of the Order, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 10 miles northeast of Carlsbad, New Mexico.

18. Case No. 22995: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 26 Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The spacing unit will be dedicated to the Crocubot Fed 26 211H, Crocubot Fed 26 212H, Crocubot Fed 26 231H, and Crocubot Fed 26 232H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed interval for the Crocubot Fed 26 211H and the Crocubot Fed 26 212H wells 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 and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Novo as operator of the wells, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles north of Loving, New Mexico.

19. Case No. 22996: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2W/2 of Section 26, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The spacing unit will be dedicated to the Crocubot Fed 26 135H and Crocubot Fed 26 131H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Novo as operator of the wells, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles north of Loving, New Mexico.

20. Case No. 22997: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2W/2 of Section 26, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The spacing unit will be dedicated to the Crocubot Fed 26 215H and Crocubot Fed 26 132H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Novo as operator of the wells, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles north of Loving, New Mexico.

21. Case No. 22998: Application of Matador Production Company for Authorization to Deepen the Salt Protection String Required by Division Order No. R-111-P, Lea County, New Mexico. Applicant in the above-styled cause seeks an order authorizing the salt protection string required by R-111-P(D)(3)(a) to extend deeper than six hundred (600) feet below the base of the salt section for horizontal wells that it proposes to drill from surface locations within the S/2S/2 of Section 9 and the N/2N/2 of Section 16, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. Said area is located approximately 3.5 miles northeast of Halfway, New Mexico.

22. Case No. 22999: Application of Matador Production Company for Authorization to Deepen the Salt Protection String Required by Division Order No. R-111-P, Lea County, New Mexico. Applicant in the above-styled cause seeks an order authorizing the salt protection string required by R-111-P(D)(3)(a) to extend deeper than six hundred (600) feet below the base of the salt section for horizontal wells that it proposes to drill from surface locations within the S/2S/2 of Section 33, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. Said area is located approximately 3.5 miles southeast of Halfway, New Mexico.

23. Case No. 23000: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 200-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the W/2 W/2 of Section 31 and the SW/4 SW/4 of Section 30, Township 23 South, Range 31 East in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: Pajarito Fed Com

30 31 MML #7H well, to be horizontally drilled from an approximate surface hole location 330' FSL and 660' FWL of Section 30, T23S-R31E, to an approximate bottom hole location 100' FSL and 400' FWL of Section 31, T23S-R31E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 16 miles East of Loving, New Mexico.

24. Case No. 23001: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 200-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 W/2 of Section 31 and the SE/4 SW/4 of Section 30, Township 23 South, Range 31 East in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: Pajarito Fed Com 30 31 NNL #6H well, to be horizontally drilled from an approximate surface hole location 330' FSL and 1980' FWL of Section 30, T23S-R31E, to an approximate bottom hole location 100' FSL and 1980' FWL of Section 31, T23S-R31E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 16 miles East of Loving, New Mexico.

25. Case No. 23002: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 200-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the SW/4 SE/4 of Section 30 and the W/2 E/2 of Section 31, Township 23 South, Range 31 East in Eddy County, New Mexico. Applicant proposes to drill the following well in the HSU: Pajarito Fed Com 30 31 OOL #5H well, to be horizontally drilled from an approximate surface hole location 330' FSL and 1980' FEL of Section 30, T23S-R31E, to an approximate bottom hole location 100' FSL and 1980' FEL of Section 31, T23S-R31E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 16 miles East of Loving, New Mexico.

26. Case No. 23003: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 400-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the NW/4 NW/4 of Section 31, the W/2 W/2 of Sections 30 and 19, and the SW/4 SW/4 of Section 18, Township 23 South, Range 31 East in Eddy County, New Mexico. Applicant proposes to drill the following 2.5-mile well in the HSU: Pajarito Fed Com 31 18 DML #1H well, to be horizontally drilled from an approximate surface hole location 215' FNL and 325' FWL of Section 31, T23S-R31E, to an approximate bottom hole location 1220' FSL and 660' FWL of Section 18, T23S-R31E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 16 miles East of Loving, New Mexico.

27. Case No. 23004: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the NE/4 NE/4 of Section 31, the E/2 E/2 of Section 30, and the E/2 SE/4 and SE/4 NE/4 of Section 19, Township 23 South, Range 31 East in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: Pajarito Fed Com 31 19 AAL #4H well, to be horizontally drilled from an approximate surface hole location 1070' FNL and 910' FEL of Section 31, T23S-R31E, to an approximate bottom hole location 1420' FNL and 400' FEL of Section 19, T23S-R31E. The first and last take points and completed interval will meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 16 miles East of Loving, New Mexico.

28. Case No. 23005: Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico.

Texas Standard Operating NM LLC seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a proximity tract horizontal spacing unit comprised of the SW/4 of Section 9 and the W/2 of Section 16, Township 17 South, Range 36 East, NMPM. The unit will be dedicated to the 9-16 State Well No.

1H, to be drilled to a depth sufficient to test the Upper Penn Shale formation. The well has a first take point in the SE/4SW/4 of Section 16 and a last take point in the NE/4SW/4 of Section 9. 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 7-1/2 miles south-southwest of Lovington, New Mexico.

29. Case No. 23006: Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (FORTY NINER RIDGE; DELAWARE [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the S/2 S/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: Eeyore Fed Com 27 28 PML 4H well, to be horizontally drilled from an approximate surface hole location 400' FSL and 330' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 400' FSL and 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles East of Loving, New Mexico.

30. Case No. 23007: Application of EOG Resources, Inc. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order (a) approving a standard 640-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the W/2 of Sections 22 and 27, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed:

- The Goldfinger 27 Fed Com #501H well and the Goldfinger 27 Fed Com #502H well. The surface hole location for both wells will be in the SW/4 SW/4 (Unit M) of Section 27 pending drill island approval from the Bureau of Land Management. The bottom hole locations for the proposed wells will be in the NW/4 NW/4 (Unit D) of Section 22; and
- The Goldfinger 27 Fed Com #503H well and the Goldfinger 27 Fed Com #504H well. The surface hole location for both wells will be in the SW/4 SW/4 (Unit M) of Section 27 pending drill island approval from the Bureau of Land Management. The bottom hole locations for the proposed wells will be in the NE/4 NW/4 (Unit C) of Section 22.

The completed interval of the Goldfinger 27 Fed Com #502H 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). This 640-acre horizontal well spacing unit will overlap the following existing horizontal well spacing units covering portions of the subject acreage:

- A 160-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 22, Township 19 South, Range 33 East, dedicated to the Malachite "22" Federal #001H well (API: 30-25-40318); and
- A 160-acre, more or less, horizontal well spacing unit comprised of the E/2 W/2 of Section 22, Township 19 South, Range 33 East, dedicated to the Malachite "22" Federal #002H well (API: 30-25-40389).

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 the wells. Said area is located approximately 30 miles west of Hobbs, New Mexico.

31. Case No. 23008: Application of EOG Resources, Inc. 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 W/2 of Sections 22 and 27, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Goldfinger 27 Fed Com #711H well. The surface hole location will be in the SW/4 SW/4 (Unit M) of Section 27 pending drill island approval from the Bureau of Land Management. The bottom hole location for the proposed well will be in the NE/4 NW/4 (Unit C) of Section 22. 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 the well. Said area is located approximately 30 miles west of Hobbs, New Mexico.

32. Case No. 23009: Application of EOG Resources, Inc. 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 W/2 of Sections 22 and 27, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Goldfinger 27 Fed Com #771H well. The surface hole location will be in the SW/4 SW/4 (Unit M) of Section 27 pending drill island approval from the Bureau of Land Management. The bottom hole location for the proposed well will be in the NW/4 NW/4 (Unit D) of Section 22. 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 the well. Said area is located approximately 30 miles west of Hobbs, New Mexico.

33. Case No. 23010: Application of Titus Oil & Gas Production, LLC to Amend Order No. R-21922, Lea County, New Mexico (Re-Open). Applicant in the above-styled cause seeks to re-open Case No. 21619 for the limited purpose of amending Order No. R-21922 to extend by one year, through December 7, 2023, the time to commence drilling the Thai Curry Fed Com 223H and Thai Curry Fed Com 224H wells, proposed to be drilled into the Bone Spring formation (Salt Lake; Bone Spring [53560]) underlying the E/2 of Section 22 and NE/4 and N/2 SE/4 of Section 27, Township 20 South, Range 32 East, NMPM, in Lea County, New Mexico. The wells and lands are located approximately twenty-seven miles northeast of Loving, New Mexico.

34. Case No. 23011: Application of Titus Oil & Gas Production, LLC to Amend Order No. R-21923, Lea County, New Mexico (Re-Open). Applicant in the above-styled cause seeks to re-open Case No. 21620 for the limited purpose of amending Order No. R-21923 to extend by one year, through December 7, 2023, the time to commence drilling the Thai Curry Fed Com 433H and Thai Curry Fed Com 434H wells, proposed to be drilled into the Wolfcamp formation (Salt Lake; Wolfcamp [53570]) underlying the E/2 of Section 22 and NE/4 and N/2 SE/4 of Section 27, Township 20 South, Range 32 East, NMPM, in Lea County, New Mexico. The wells and lands are located approximately twenty-seven miles northeast of Loving, New Mexico.

35. Case No. 23012: Application of Spur Energy Partners, LLC for Compulsory Pooling, Eddy 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 of Section 25, Township 19 South, Range 25 East, Eddy County, New Mexico. Applicant seeks to dedicate the Unit to the following proposed wells: Darko 25 Federal 20H well, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 26, Township 19 South, Range 25 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 25 East; Darko 25 Federal 21H well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 26, Township 19 South, Range 25 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 25 East; and Darko 25 Federal 30H well, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 26, Township 19 South, Range 25 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 25 East. The completed intervals of the wells will be orthodox. The completed interval of the Darko 25 Federal 30H well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Section 25 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 14.92 miles south and approximately 3.07 miles west of Artesia, New Mexico.

36. Case No. 23013: 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, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15 and the W/2E/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Ibex 15/10 B1OB Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H, horizontal wells with first take points in the SW/4SE/4 of Section 15 and last take points in the NW/4NE/4 of Section 10. 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 19-1/2 miles west-southwest of Eunice, New Mexico.

37. Case No. 23014: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Sections 10 and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Colibri 10-3 TB Fed Com 1H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

38. Case No. 23015: Application of Marathon Oil Permian LLC for compulsory pooling, Lea 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 W/2 of Sections 10 and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Colibri 10-3 TB Fed Com 3H well to be horizontally drilled. The producing area for

the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

39. Case No. 23016: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 10 and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Colibri 10-3 WA Fed Com 2H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Colibri 10-3 WA Fed Com 2H 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 well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

40. Case No. 23017: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the E/2 E/2 of Sections 15, 10, and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Bing Clawsby 15-10-3 WA Fed Com 6H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

41. Case No. 23018: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2 E/2 of Sections 15, 10, and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Bing Clawsby 15-10-3 WA Fed Com 2H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

42. Case No. 23019: Application of Marathon Oil Permian LLC for compulsory pooling, Lea 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 15, 10, and 3, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Bing Clawsby 15-10-3 TB Fed Com 3H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Bing Clawsby 15-10-3 TB Fed Com 3H 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 well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles from Jal, New Mexico.

43. Case No. 23020: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the W/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 1H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

44. Case No. 23021: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 4H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Swallowtail 14-11 WA Federal 4H 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 well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

45. Case No. 23022: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the E/2W/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 5H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

46. Case No. 23023: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the W/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 8H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

47. Case No. 23024: Application of Marathon Oil Permian LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the E/2E/2 of Sections 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 WA Federal 12H well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

48. Case No. 23025: Application of Marathon Oil Permian LLC for compulsory pooling, Lea 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 11 and 14, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Swallowtail 14-11 TB Federal 9H well to be horizontally drilled. The producing area for the well will be orthodox. The completed interval for the Swallowtail 14-11 TB Federal 9H 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 well, 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 30 miles northwest of Jal, New Mexico.

49. Case No. 23026: (Re-Open) Application of Marathon Oil Permian LLC to Amend Order No. R-21486, Eddy County, New Mexico. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-21486 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-21486 pooled uncommitted interest owners in a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 of Sections 23 and 24, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 2 miles southeast of Malaga, New Mexico.

50. Case No. 23027: Application of Legacy Reserves Operating, LP for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 31, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and the W/2 of Section 6, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Emerald Federal Com #401H well, Emerald Federal Com #402H well, Emerald Federal Com #501H well, Emerald Federal Com #502H well, and Emerald Federal Com #503H well, all to be horizontally drilled from surface locations in the SW/4 of Section 6, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, to bottom hole locations in the NW/4 of Section 31, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico. 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 31 miles west of Hobbs, New Mexico.

51. Case No. 23028: Application of Legacy Reserves Operating, LP for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 31, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, and the E/2 of Section 6, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Emerald Federal Com #403H well, Emerald Federal Com #404H well, Emerald Federal Com #504H well, Emerald Federal Com #505H well, and Emerald Federal Com #506H well, all to be horizontally drilled from surface locations in the SE/4 of Section 6, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, to bottom hole locations in the NE/4 of Section 31, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico. This 640-acre horizontal well spacing unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:

- A 40-acre, more or less, vertical well spacing unit comprised of the SW/4 NE/4 of Section 31, Township 18 South, Range 33 East, dedicated to the Gazelle 31 Federal #001 well (API: 30-025-34317);
- A 40-acre, more or less, vertical well spacing unit comprised of the NE/4 SE/4 of Section 31, Township 18 South, Range 33 East, dedicated to the Gazelle 31 Federal #003 well (API: 30-025-35339); and
- A 40-acre, more or less, vertical well spacing unit comprised of the SW/4 SE/4 of Section 6, Township 19 South, Range 33 East, dedicated to the Nellis Federal #002 well (API: 30-025-25782).

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 31 miles west of Hobbs, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Wednesday, August 3, 2022

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Adrienne Sandoval
Director, Oil Conservation Division**