

## **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 9, 2021, 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](mailto:Marlene.Salvidrez@state.nm.us).

Documents filed in these cases may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.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](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than August 29, 2021.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e379adae1410a8aecfd0fe5582b1917ea>

Event number: 146 427 9260

Event password: HxJBs523k3Y

Join by video: [1464279260@nmemnrd.webex.com](mailto:1464279260@nmemnrd.webex.com)

Numeric Password: 857180

You can also dial 173.243.2.68 and enter your meeting number

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

Access code: 146 427 9260

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

**1. Case No. 22093: Amended Application of Mewbourne Oil Company for Compulsory Pooling and Approval of an Overlapping Horizontal Well Spacing Unit, Eddy County, New Mexico.** Mewbourne Oil Company amends the application filed in Case 22007 to seek an order (1) pooling all uncommitted mineral interests in the Wolfcamp formation [Purple Sage; Wolfcamp, (Gas) Pool (98220)] underlying a 640-acre horizontal spacing unit comprised of the N/2 of Sections 22 and 21, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (2) approving an overlapping horizontal well spacing unit for the N/2 of Section 2. The unit will be initially dedicated to the (a) Papa Grande 22/21 WOAD Fee Well No. IH, with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the NW/4 NW/4 (Unit D) of Section 21; and (b) Papa Grande 22/21 W0HE Fee Well No. IH, with a first take point in the SE/4 NE/4 (Unit H) of Section 22 and a last take point in the SW/4 NW/4 (Unit E) of Section 21. This proposed unit will overlap an existing spacing unit for the Walterthon No. 1 (API No. 30-015-31797), a vertical well drilled by Marbob Energy Corporation in 2001 in the NE/4 NE/4 (Unit A) of Section 21. 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, completing and equipping each well. The unit is located approximately 2-1/2 miles north-northwest of Otis, New Mexico.

**2. Case No. 22094: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests within the Bone Spring formation from a true vertical depth (“TVD”) of 10,024’ to 10,815’ underlying a 400-acre, more or less, standard horizontal spacing unit comprised of the S/2SE/4 of Section 26 and the E/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico (“Unit”). The Unit will be dedicated to following wells:

- Anderson Fed Com #503H, which will be horizontally drilled from a surface location in the NW/4NE/4 (Lot 2) of Section

2 in T22S-R32E to a bottom hole location in the SW/4SE/4 (Unit O) of Section 26 in T21S-R32E;

- Anderson Fed Com #508H, which will be horizontally drilled from a surface location in the NE/4NE/4 (Lot 1) of Section 2 in T22S-R32E to a bottom hole location in the SE/4SE/4 (Unit P) of Section 26 in T21S-R32E;
  - Anderson Fed Com #603H, which will be horizontally drilled from a surface location in the NW/4NE/4 (Lot 2) of Section 2 in T22S-R32E to a bottom hole location in the SE/4SE/4 (Unit P) of Section 26 in T21S-R32E (collectively the "Wells").
- The completed intervals of the Wells will be orthodox. The completed interval of the Anderson Fed Com #603H will be within 330' of the line separating the E/2E/2 and W/2E/2 of Section 35 and the line separating the SE/4SE/4 and SW/4SE/4 of Section 26 to allow inclusion of this acreage into a standard 400-acre 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 twenty-seven (27) miles west of Eunice, New Mexico.

**3. Case No. 22095: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests within the Bone Spring formation from the top of the formation to a true vertical depth ("TVD") of 10,024' underlying a 400-acre, more or less, standard horizontal spacing unit comprised of the S/2SE/4 of Section 26 and the E/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following well:

- Anderson Fed Com #507H ("Well") to be horizontally drilled from a surface location in the NW/4NE/4 (Lot 2) of Section 2 in T22S-R32E to a bottom hole location in the SE/4SE/4 (Unit P) of Section 26 in T21S-R32E.
- The completed interval of the Well will be orthodox. The completed interval of the Well will be within 330' of the line separating the E/2E/2 and W/2E/2 of Section 35 and the line separating the SE/4SE/4 and SW/4SE/4 of Section 26 to allow inclusion of this acreage into a standard 400-acre horizontal spacing unit. 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 twenty-seven (27) miles west of Eunice, New Mexico.

**4. Case No. 22096: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests within the Bone Spring formation from a true vertical depth ("TVD") of 10,024' to 10,815' underlying a 200-acre, more or less, standard horizontal spacing unit comprised of the SE/4SW/4 of Section 26 and the E/2W/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following well:

- Anderson Fed Com #502H ("Well"), which will be horizontally drilled from a surface location in the NE/4NW/4 (Lot 3) of Section 2 in T22S-R32E to a bottom hole location in the SE/4SW/4 (Unit N) of Section 26 in T21S-R32E.
- 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 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 twenty-seven (27) miles west of Eunice, New Mexico.

**5. Case No. 22097: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests the Bone Spring formation from the top of the formation to a true vertical depth ("TVD") of 10,024' underlying a 200-acre, more or less, standard horizontal spacing unit comprised of the SE/4SW/4 of Section 26 and the E/2W/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following well:

- Anderson Fed Com #506H ("Well"), which will be horizontally drilled from a surface location in the NE/4NW/4 (Lot 3) of Section 2 in T22S-R32E to a bottom hole location in the SE/4SW/4 (Unit N) of Section 26 in T21S-R32E.
- 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 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 twenty-seven (27) miles west of Eunice, New Mexico.

**6. Case No. 22098: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests within the Bone Spring formation from a true vertical depth ("TVD") of 10,024' to 10,815' underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2SW/4 of Section 26 and the W/2W/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following wells:

- Anderson Fed Com #501H, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 4) of Section 2 in T22S-R32E to a bottom hole location in the NW/4SW/4 (Unit L) of Section 26 in T21S-R32E; and
- Anderson Fed Com #505H, which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 4) of Section 2 in T22S-R32E to a bottom hole location in the NW/4SW/4 (Unit L) of Section 26 in T21S-R32E (collectively the "Wells").

The completed interval of the Anderson Fed Com #505H well will be unorthodox. The completed intervals of the

remaining Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately twenty-seven (27) miles west of Eunice, New Mexico.

**7. Case No. 22099: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation from the top of the formation to a true vertical depth ("TVD") of 10,024' underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2SW/4 of Section 26 and the W/2W/2 of Section 35, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following well:

- Anderson Fed Com #701H ("Well"), which will be horizontally drilled from a surface location in the NW/4NW/4 (Lot 4) of Section 2 in T22S-R32E to a bottom hole location in the NW/4SW/4 (Unit L) of Section 26 in T21S-R32E.

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 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 twenty-seven (27) miles west of Eunice, New Mexico.

**8. Case No. 22100: Application of Chisholm Energy 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 310.6-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 6 and 7, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Mescalero 7-6 Fed 2BS Com #3H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 4) of Section 7 to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 6. The completed interval of the proposed well will comply with Statewide setbacks for oil wells. 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 a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 20 miles south of Maljamar, New Mexico.

**9. Case No. 22101: Application of Chisholm Energy 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 325.3-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 6 and 7, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Mescalero 7-6 Fed 2BS Com #4H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Lot 4) of Section 7 to a bottom hole location in the NE/4 NW/4 (Lot 3) of Section 6. The completed interval of the proposed well will comply with Statewide setbacks for oil wells. 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 a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 20 miles south of Maljamar, New Mexico.

**10. Case No. 22102: Amended Application of New Mexico Oil Conservation Division to Revoke Order No. R-21096, As Amended, and APDs for Caveman #402H and Caveman 7 12 WCD #003H Wells, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order revoking Order No. R-21096, as amended, and Applications for Permit to Drill (APDs) issued to SPC Resources, Inc. for the Caveman #402H (API No. 30-015-47629) and Caveman 7 12 WCD #003H (API 30-015-47689) wells. SPC proposes to drill the Caveman #402H well from a surface location 2420 feet from the North line and 188 feet from the East line (Unit H) of Section 7, Township 22 South, Range 27 East, NMPM, to a bottom hole location 1640 feet from the North line and 100 feet from the West line (Unit E) of Section 12, Township 22 South, Range 26 East, NMPM. SPC proposes to drill the Caveman 7 12 WCD #003 well from a surface location 2331 feet from the North line and 490 from the West line (Unit E) in Section 8, Township 22 South, Range 27 East, NMPM to a bottom hole location 1980 feet from the South line and 100 feet from the West line (Unit L) of Section 12, Township 22 South, Range 26 East, NMPM. The proposed surface locations for the wells are approximately one-half mile east of US Highway 180 adjacent to the city of Carlsbad, New Mexico. Prior to full stabilization of the Carlsbad Brine Well, SPC's development of the spacing unit authorized by Order No. R-21096, as amended, including the Caveman #402H and Caveman 7 12 WCD #003H wells and any other wells that could be drilled on the spacing unit, poses an unacceptable risk of collapse, undermining the state's stabilization effort and impairing critically important infrastructure and resources in the area.

**11. Case No. 22103: (formerly Case 21684): Amended Application of Matador Production Company 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 E/2 W/2 of Sections 16, 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Cimarron 1628 Fed Com

#132H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 16 to a bottom hole location in SE/4 SW/4 (Unit N) of Section 28. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as 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 22 miles west of Hobbs, New Mexico.

**12. Case No. 22104: (formerly Case 21686): Amended Application of Matador Production Company for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 16, 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Cimarron 1628 Fed Com #206H well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 16 to a bottom hole location in SE/4 SW/4 (Unit N) of Section 28. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as 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 22 miles west of Hobbs, New Mexico.

**13. Case No. 22105: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 360-acre, more or less, standard horizontal spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following wells:

- Margarita Federal Com #7H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E;
- Margarita Federal Com #8H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E;
- Margarita Federal Com #12H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E; and
- Margarita Federal Com #16H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E; ("Wells").

The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately twenty-seven (27) miles west of Eunice, New Mexico.

**14. Case No. 22106: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks applies for an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 360-acre, more or less, standard horizontal spacing unit comprised of the SE/4 NE/4 and E/2 SE/4 of Section 13, E/2 E/2 of Section 24, and E/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following wells:

- Margarita Fed Com #20H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E; and
- Margarita Fed Com #24H, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 13 in T21S-R32E to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 25 in T21S-R32E ("Wells").

The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately twenty-seven (27) miles west of Eunice, New Mexico.

**15. Case No. 22107: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 360-acre, more or less, standard horizontal spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and W/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico ("Unit"). The Unit will be dedicated to following wells:

- Margarita Federal Com #15H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E;
- Margarita Federal Com #5H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E;
- Margarita Federal Com #6H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E; and
- Margarita Federal Com #11H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of

Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E; (“Wells”). The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately twenty-seven (27) miles west of Eunice, New Mexico.

**16. Case No. 22108: Application of Advance Energy Partners Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks applies for an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 360-acre, more or less, standard horizontal spacing unit comprised of the SW/4 NE/4 and W/2 SE/4 of Section 13, W/2 E/2 of Section 24, and W/2 NE/4 of Section 25, Township 21 South, Range 32 East in Lea County, New Mexico (“Unit”). The Unit will be dedicated to following wells:

- Margarita Federal Com #19H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E; and
- Margarita Federal Com #23H, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13 in T21S-R32E to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 25 in T21S-R32E (“Wells”).

The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately twenty-seven (27) miles west of Eunice, New Mexico.

**17. Case No. 22109: Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 479.71-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 6, 7, and 18, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Boundary Raider 6-18 Fed Com #712H well (API No. 30-025-47706) to be drilled from a surface hole location in the NE/4 NW/4 (Lot 3) of Section 6 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 18. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 30 miles west of Jal, New Mexico.

**18. Case No. 22110: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2SW/4 of Section 33, Township 24 South, Range 35 East, NMPM, and the W/2W/2 of Section 4 and the W/2W/2 of Section 9, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the Noel South Fed. Com. Well No. 111H, with a first take point in the NW/4SW/4 of Section 33 and a final take point in the SW/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 17 miles west-northwest of Jal, New Mexico.

**19. Case No. 22111: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2SW/4 of Section 33, Township 24 South, Range 35 East, NMPM, and the E/2W/2 of Section 4 and the E/2W/2 of Section 9, Township 25 South, Range 35 East, NMPM. The unit will be dedicated to the Noel South Fed. Com. Well No. 112H, with a first take point in the NE/4SW/4 of Section 33 and a final take point in the SE/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 17 miles west-northwest of Jal, New Mexico.

**20. Case No. 22112: Application of Ascent Energy, LLC, for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the N/2 of Sections 20 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a gas pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the Hokie Fee 701H Well to be horizontally drilled from a surface location in SE/4 NE/4 (Unit H) of Section 21 to a bottom hole location in NW/4 NW/4 (Unit D) of Section 20; and the Hokie Fee 702H Well to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 21 to a bottom hole location in SW/4 NW/4 (Unit E) of Section 20. The completed well intervals will comply with the setback requirements imposed by Special

Rules for the Purple Sage Gas Pool in Order No. R-14262; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; overlapping spacing unit in the N/2 of Section 21 pursuant to NMAC 19.15.16.15B(9)(b); 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 1 mile southeast of Carlsbad, New Mexico.

**21. Case No. 22113: Application of COG Operating, LLC to Amend Order No. R-21474 to Extend Time to Commence Drilling Operations, Lea County, New Mexico.** COG Operating, LLC ("COG") seeks an order amending Order No. R-21474 to extend the deadline to commence drilling operations to one year from the date an amended order is issued. The Division issued Order No. R-21474 ("Order") in Case No. 21421 on September 21, 2020, which created a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 26 and 35, Township 23 South, Range 32 East, Lea County, New Mexico, and designated COG as the operator of the Unit. The Order further pooled all uncommitted interests within the WC-025 G-09 S253236A; Upper Wolfcamp pool (98158) underlying the Unit and dedicated the Unit to the Bedlington Federal Com #701H, 702H, 703H, and 704H wells ("Wells"). Paragraph 20 of the Order requires COG to commence drilling the Wells within one (1) year of the date of the Order unless COG obtains a time extension from the Division Director for good cause shown. COG requests the Division amend the Order to extend the deadline for COG to commence drilling the Wells to one year from the date an amended order is issued. The Wells are located approximately 25 miles east of Malaga, New Mexico.

**22. Case No. 22114: Application of E.G.L. Resources, Inc, for compulsory pooling in Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests within the Lea Bonespring Pool (Pool Code 37570) underlying E/2 of Section 23, Township 19 South, Range 34 East, NMPM Lea County, New Mexico, on the following wells listed below. These wells are located approximately 16 miles southwest of Hobbs, New Mexico.

Thunderball 23E Fed Com #102H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NE4NE4 of Section 23-19S-34E. The well will have a target interval within the Bone Spring formation, drilled horizontally with a Total Vertical Depth of ~9,660' to a Measured Depth of approximately 14,670'. This well will target the 1st Bone Spring zone with dedicated acreage consisting of the E2E2 of Section 23.

Thunderball 23E Fed Com #302H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NE4NE4 of Section 23-19S-34E. The well will have a target interval within the Bone Spring formation, drilled horizontally with a Total Vertical Depth of ~10,840' to a Measured Depth of approximately 15,850'. This well will target the 3rd Bone Spring zone with dedicated acreage consisting of the E2E2 of Section 23.

Thunderball 23W Fed Com #101H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NW4NE4 of Section 23-19S-34E. The well will have a target interval within the Bone Spring formation, drilled horizontally with a Total Vertical Depth of ~9,660' to a Measured Depth of approximately 14,670'. This well will target the 1st Bone Spring zone with dedicated acreage consisting of the W2E2 of Section 23.

Thunderball 23W Fed Com #301H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NW4NE4 of Section 23-19S-34E. The well will have a target interval within the Bone Spring formation, drilled horizontally with a Total Vertical Depth of ~10,840' to a Measured Depth of approximately 15,850'. This well will target the 3rd Bone Spring zone with dedicated acreage consisting of the W2E2 of Section 23.

**23. Case No. 22115: Application of E.G.L. Resources, Inc, for compulsory pooling in Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests within the WC-025 G-09 S203435D; Wolfcamp Pool (Pool Code 98247) underlying the E/2 of Section 23, Township 19 South, Range 34 East, NMPM Lea County, New Mexico, on the following wells listed below. These wells are located approximately 16 miles southwest of Hobbs, New Mexico.

Thunderball 23E Fed Com #402H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NE4NE4 of Section 23-19S-34E. The well will have a target interval within the Wolfcamp formation, drilled horizontally with a Total Vertical Depth of ~10,940' to a Measured Depth of approximately 15,950'. This well will target the Wolfcamp formation with dedicated acreage consisting of the E2E2 of Section 23.

Thunderball 23W Fed Com #401H

To be drilled from a proposed surface hole location in the NW4NE4 of Section 26-19S-34E and a proposed bottom hole location in the NW4NE4 of Section 23-19S-34E. The well will have a target interval within the Wolfcamp formation, drilled horizontally with a Total Vertical Depth of ~10,940' to a Measured Depth of approximately 15,950'. This well will target the Wolfcamp formation with dedicated acreage consisting of the W2E2 of Section 23.

- 24. Case No. 22116: (Re-Open) Application of Franklin Mountain Energy, LLC to Amend Order No. R-20945, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 25. Case No. 22117: Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 26. Case No. 22118: Application of Franklin Mountain Energy, LLC to Amend Order No. R-20942, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20942 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20942 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 27. Case No. 22119: (Re-Open) Application of Franklin Mountain Energy, LLC to Amend Order No. R-20943, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20943 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20943 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 28. Case No. 22120: Application of Franklin Mountain Energy, LLC to Amend Order No. R-20944, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20944 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 29. Case No. 22121: Application of Franklin Mountain Energy, LLC to Amend Order No. R-20946, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20946 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20946 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
- 30. Case No. 22122: Application of NGL Water Solutions Permian, LLC for approval of salt water disposal well in Lea County, New Mexico.** Applicant seeks an order approving the Byrd SWD #1 well at a surface location 220 feet from the North line and 220 feet from the West line of Section 22, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant requests authorization to inject salt water into the into the Bell, Cherry, and Brushy Canyon formations at a depth of 5,345' to 8,750'. Applicant requests that the Division approve a maximum daily injection rate for the well of 19,500 bbls per day. Said location is approximately 15 miles northwest of Jal, New Mexico.
- 31. Case No. 22123: 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 Delaware formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 25 and 36, Township 23 South, Range 28 East, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial Ray State Com #023H well, to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 36 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 25. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as 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 near the city of Loving, New Mexico.

**32. Case No. 22124: 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 Delaware formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 25 and 36, Township 23 South, Range 28 East, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial Ray State Com #024H well, to be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 1, Township 24 South, Range 28 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 25. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as 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 near the city of Loving, New Mexico.

**33. Case No. 22125: Application of NGL Water Solutions Permian, LLC, for approval of saltwater disposal well in Lea County, New Mexico.** Applicant seeks an order approving disposal into the SWD; Delaware formation through the London SWD #1 well at a surface location 655 feet from the South line and 355 feet from the East line of Section 22, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico for the purpose of operating a salt water disposal well. Applicant seeks authority to inject salt water into the SWD; Delaware formation at a depth of 5,380' to 8,879'. Applicant further seeks approval of the use of 13 3/8 inch tubing for the surface casing, 9 5/8 inch for the intermediate casing, and 7 inch tubing inside the liner and requests that the Division approve a maximum daily injection rate for the well of 35,000 bbls per day.

**34. Case No. 22126: Application of EOG Resources, Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-14371, Lea County, New Mexico.** Applicant in the above-styled cause seeks to pool additional interest owners under the terms of Division Order No. R-14371. The Order pooled the standard 240-acre horizontal spacing unit in the Bone Spring formation comprised of the W/2 W/2 of Section 10, and the W/2 SW/4 of Section 3,, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The spacing unit is dedicated to the following wells: (1) the Osprey 10 #602H well, and (2) the Osprey 10 #301H well. Said area is located approximately 16 miles west of Jal, New Mexico.

**35. Case No. 22127: 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 240-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 3, and the E/2 W/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Osprey 10 #302H well (API No. 30-025-46451) to be drilled from a surface hole location in SE/4 SW/4 (Unit N) of said Section 10 to a bottom hole location in the NE/4 SW/4 (Unit K) of said Section 3. The completed interval for the proposed well will comply with statewide setbacks for oil wells. 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 the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Jal, New Mexico.

**36. Case No. 22128: 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 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 3, and the W/2 E/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Osprey 10 #303H well (API No. 30-025-46452) to be drilled from a surface hole location in SW/4 SE/4 (Unit O) of said Section 10 to a bottom hole location in the NW/4 SE/4 (Unit J) of said Section 3. The completed interval for the proposed well will comply with statewide setbacks for oil wells. 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 the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Jal, New Mexico.

**37. Case No. 22129: 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 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 3, and the E/2 E/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Osprey 10 #304H well (API No. 30-025-46454) to be drilled from a surface hole location in SW/4 SE/4 (Unit O) of said Section 10 to a bottom hole location in the NE/4 SE/4 (Unit I) of said Section 3. The completed interval for the proposed well will comply with statewide setbacks for oil wells. 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 the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Jal, New Mexico.

**38. Case No. 22130: Application of EOG Resources, Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-14364, Lea County, New Mexico.** Applicant in the above-styled cause seeks to pool additional interest owners under the terms of Division Order No. R-14364. The Order pooled the standard 240-acre horizontal spacing unit in the Wolfcamp formation comprised of the W/2 W/2 of Section 10, and the W/2 SW/4 of Section 3, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. The spacing unit is dedicated to the following wells: (1) the Osprey 10 #701H well, and (2) the Osprey 10 #705H well. Said area is located approximately 16 miles west of Jal, New Mexico.

**39. Case No. 22131: 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 Wolfcamp formation underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the SE/4 of Section 3, and E/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Osprey 10 #706H well (API No. 30-025-45525) to be drilled from a surface hole location in SE/4 SE/4 (Unit P) of said Section 10 to a bottom hole location in the NE/4 SE/4 (Unit I) of said Section 3. The completed interval for the proposed well will comply with statewide setbacks for oil wells. 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 the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Jal, New Mexico.

**40. Case No. 22132: 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 Wolfcamp formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 3 and E/2 W/2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Osprey 10 #707H well (API No. 30-025-46453) to be drilled from a surface hole location in SE/4 SW/4 (Unit N) of said Section 10 to a bottom hole location in the NE/4 SW/4 (Unit K) of said Section 3. The completed interval for well is at a non-standard location that has been approved by Division Administrative Order NSL-8093. 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 the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Jal, New Mexico.

**41. Case No. 22133: Application of FAE II Operating, LLC for Reinstatement of Injection Authority and Authorization to Convert Producing Wells to Injectors for Waterflood Operations, Lea County, New Mexico.** Applicant applies for an order: (1) reinstating injection authority for its State "A" A/C No. 65, 67, 69 and 71 wells within its Blackbeard North Waterflood Project ("Project") within the Seven Rivers and Queen formations comprised of portions of Sections 5, 7, 8 and 9, Township 22 South, Range 36 East, Lea County, New Mexico; and (2) authorizing FAE to convert its State "A" A/C No. 64, 68, 70 and 72 producing wells to injectors for waterflood operations. The following wells ("Wells") authorized under the Orders are located within the South Eunice pool of the Seven Rivers and Queen formations:

Well Name (API: 30-025-) Location within T22S-R36E Injection interval  
 State "A" A/C 2 No. 64 (28273) Unit A, 1250 FNL & 1250 FEL, Sec. 8 3720'- 3885'  
 State "A" A/C 2 No. 65 (28274) Unit E, 1345 FNL & 25 FWL, Sec. 9 3695'- 3875'  
 State "A" A/C 2 No. 67 (28276) Unit K, 2615 FSL & 1345 FWL, Sec. 9 3660'- 3850'  
 State "A" A/C 2 No. 68 (28277) Unit E, 2570 FNL & 70 FWL, Sec. 9 3695'- 3885'  
 State "A" A/C 2 No. 69 (28278) Unit I, 2615 FSL & 1295 FEL, Sec. 8 3700'- 3890'  
 State "A" A/C 2 No. 70 (28279) Unit P, 1295 FSL & 1295 FEL, Sec. 8 3725'- 3890'  
 State "A" A/C 2 No. 71 (28280) Unit M, 1295 FSL & 25 FWL, Sec. 9 3715'- 3890'  
 State "A" A/C 2 No. 72 (28281) Unit K, 1410 FSL & 1440 FWL, Sec. 9 3675'- 3875'

Applicant proposes to convert its State "A" A/C No. 64, 68, 70 and 72 wells from producers to injectors for waterflood operations and reinstate injection into its State "A" A/C No. 65, 67, 69 and 71 wells for waterflood operations. FAE plans to inject water through a closed system of perforations at depths of 3,599' to 3,950' within the Seven Rivers and Queen formations. The proposed average injection pressure through the Wells is expected to be approximately 700 psi. The expected maximum injection pressure will be calculated relative to the depth of the highest perforation, using a factor of 0.2 psi/ft. The proposed Wells will have perforation depths of approximately 3,640' and 3,599' (or 728 psi and 720 psi maximum injection pressure, respectively). Pending results of a step rate test, the maximum injection pressure could potentially be increased to a factor of 0.6 psi/ft (or 2,184 psi at 3,640' and 2,160 psi at 3,599'). The proposed average injection rate is expected to be approximately 600 barrels of water per day. The maximum daily injection rate will be 1,000 barrels of water per day or as permitted by the Division. The Unit acreage is located approximately 7.5 miles southwest of Eunice, New Mexico.

**42. Case No. 22134: Application of FAE II Operating, LLC for Reinstatement of Injection Authority and Authorization to Convert Disposal Well to an Injector for Waterflood Operations, Lea County, New Mexico.**

Applicant applies for an order: (1) reinstating injection authority for certain injection wells within its Blackbeard South Waterflood Project ("Project") within the Seven Rivers and Queen formations comprised of portions of Sections 3, 4, 9-11, 13-15, 17, and 20-24, Township 23 South, Range 36 East, Lea County, New Mexico; and (2) authorizing FAE to convert a produced-water disposal well to an injector for waterflood operations. The following wells ("Wells") authorized under the Orders are located within the Jalmat; Tan-Yates-7 RVRS (Oil) and Langlie Mattix; 7 RVRS-Q-Grayburg pools of the Seven Rivers and Queen formations:

Well Name (API: 30-025-) Location within T23S-R6E Injection interval

State "A" A/C 1 No. 116 (28396) Unit D, 1260 FNL & 1310 FWL, Sec. 10 3644'- 3845'

State "A" A/C 1 No. 117 (28512) Unit K, 1395 FSL & 1345 FWL, Sec. 3 3640'- 3820'

State "A" A/C 1 No. 120 (28515) Unit C, 25 FNL & 1345 FWL, Sec. 10 3650'- 3800'

State "A" A/C 3 No. 10 (28509) Unit G, 1345 FNL & 1480 FEL, Sec. 10 3575'- 3705'

State "A" A/C 3 No. 11 (28510) Unit G, 1345 FNL & 2615 FEL, Sec. 10 3575'- 3705'

Applicant proposes to convert its State "A" A/C 1 No. 116 well from a salt-water disposal well to an injector for waterflood operations and to reinstate injection into the State "A" A/C 1 No. 117 and 120 wells and State "A" A/C 3 No. 10 and 11 wells for waterflood operations. FAE plans to inject water through a closed system of perforations at depths of 3,500' to 4,000' within the Seven Rivers and Queen formations. The proposed average injection pressure is expected to be 700 psi. The expected maximum injection pressure will be calculated relative to the depth of the highest perforation, using a factor of 0.2 psi/ft. The proposed Wells will have perforation depths of approximately 3,640' and 3599' (or 728 psi and 720 psi maximum injection pressure, respectively). Pending results of a step rate test, the maximum injection pressure could potentially be increased to a factor of 0.6 psi/ft (or 2,184 psi at 3,640' and 2160 psi at 3599'). The proposed average injection rate is expected to be approximately 600 barrels of water per day. The maximum daily injection rate will be 1,000 barrels of water per day or as permitted by the Division. The Unit acreage is located approximately 9.3 miles southwest of Eunice, New Mexico.

**43. Case No. 22135: Application of Tap Rock Resources, LLC for a compulsory pooling, Lea County, New Mexico.**

Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 9, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to The Contest Fed. Com. Well No. 141H, which has a first take point in the SW/4SW/4 of Section 9 and a last take point in the NW/4NW/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 Tap Rock Operating, LLC 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 19 miles northwest of Jal, New Mexico.

**44. Case No. 22136: Application of Tap Rock Resources, LLC for a compulsory pooling, Lea County, New Mexico.**

Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 9, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to The Contest Fed. Com. Well No. 142H, which has a first take point in the SE/4SW/4 of Section 9 and a last take point in the NE/4NW/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 Tap Rock Operating, LLC 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 19 miles northwest of Jal, New Mexico.

**45. Case No. 22137: Application of Catena Resources Operating, LLC to Amend Order No. R-21433, Lea County, New Mexico.**

Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-21433. The Unit is comprised of the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit in the E/2 of Sections 19 and 30, Township 18 South, Range 35 East, Lea County, New Mexico. Order No. R-21433 dedicated the Unit to the initial Rope 183519 #1H well (API No. 30-025-pending) 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 SE/4 SE/4 (Unit P) of Section 30. Said area is located approximately 20 miles west of Hobbs, New Mexico.

**46. Case No. 22138: Application of Catena Resources Operating, LLC to Amend Order No. R-21434, Lea County, New Mexico.**

Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-21434. The Unit is comprised of the Wolfcamp formation underlying a standard 480-acre, more or less, horizontal spacing unit in the SW/4 of Section 33, Township 18 South, Range 35 East, and the W/2 of Section 4, Township 19 South, Range 35 East, Lea County, New Mexico. Order No. R-21434 dedicated the Unit to the initial Alpha 183533 #1H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 33 to

a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4. Said area is located approximately 20 miles west of Hobbs, New Mexico.

**47. Case No. 22139: Application of Catena Resources Operating, LLC to Amend Order No. R-21435, Lea County, New Mexico.** Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-21435. The Unit is comprised of the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit in the E/2 of Sections 20 and 29, Township 18 South, Range 35 East, Lea County, New Mexico. Order No. R-21435 dedicated the Unit to the initial Ball 183529 #1H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 32 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 20. Said area is located approximately 20 miles west of Hobbs, New Mexico.

**48. Case No. 22140: 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 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 8 and 17, Township 25 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Leslie Fed Com 17 & 8 #113H well, and (2) the Leslie Fed Com 17 & 8 #123H well, which are to be drilled from surface locations in the SW/4 SE/4 (Unit O) of Section 17 to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 8. The completed interval of the wells will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as 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 wells. Said area is located approximately 10 miles west of Jal, New Mexico.

**49. Case No. 22141: 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 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 8 and 17, Township 25 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Leslie Fed Com 17 & 8 #114H well, and (2) the Leslie Fed Com 17 & 8 #124H well, which are to be drilled from surface locations in the SE/4 SE/4 (Unit P) of Section 17 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 8. The completed interval of the wells will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as 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 wells. Said area is located approximately 10 miles west of Jal, New Mexico.

**50. Case No. 22142: Application of Devon Energy Production Company, L.P. for a Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating to the extent necessary a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a gas pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the Shire 22-15 Fed Com 613H Well horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15; Shire 22-15 Fed Com 618H Well horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; Shire 22-15 Fed Com 718H Well horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; and the Shire 22-15 Fed Com 733H Well horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15. The wells have nonstandard locations; the take points are 100' from the outer-boundary of the unit and NSL approval has been applied for administratively and obtained; 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 well. The wells and lands are located approximately 4.5 miles southeast of Carlsbad, New Mexico.

**51. Case No. 22143: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 480-acre, more or less, horizontal spacing and proration unit comprised of the E/2 E/2 of Sections 8, 17, and 20, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the White City 8-17-20 Federal Com 15H, an oil well, to be horizontally drilled from a surface location in NE/4 NE/4 (Unit A) of Section 8 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 20. 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 3 miles south of Carlsbad, New Mexico, and 1 mile north of the state line.

**52. Case No. 22144: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 480-acre, more or less, horizontal spacing and proration unit comprised of the W/2 E/2 of Sections 8, 17, and 20, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the White City 8-17-20 Federal Com 16H, an oil well, to be horizontally drilled from a surface location in NE/4 NE/4 (Unit A) of Section 8 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 20. 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 3 miles south of Carlsbad, New Mexico, and 1 mile north of the state line.

**53. Case No. 22145: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Parkway 16-17 State Com 3H Well, an oil well, to be horizontally drilled from a surface location in NW/4 SW/4 (Unit L) of Section 15 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 17. 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 2.5 miles southeast of Artesia, New Mexico.

**54. Case No. 22146: Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 160-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Section 16, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Parkway 16 State Com 4H Well, an oil well, to be horizontally drilled from a surface location in NW/4 SW/4 (Unit L) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 16. 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 2.5 miles southeast of Artesia, New Mexico.

**55. Case No. 22147: Application of Cimarex Energy Co., to Amend Order No. R-21033 for a -Nine-month Extension of the Well Commencement Deadline, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to re-open Case No. 20746 and amend Division Order No. R-21033 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, as amended, through October 23, 2022. Order No. R-21033 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 1H Well proposed to be drilled into the Bone Spring formation underlying the N/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico.

**56. Case No. 22148: Application of Cimarex Energy Co., to Amend Order No. R-21035 for a -Nine-month Extension of the Well Commencement Deadline, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to re-open Case No. 20748 and amend Division Order No. R-21035 in order to obtain, based on good cause shown, a nine-month extension of the well commencement deadline, as amended, through October 23, 2022. Order No. R-21035 pooled uncommitted interest owners and granted Applicant operating rights for the Parkway 16-17 State Com 2H Well proposed to be drilled into the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The well and lands are located approximately 2.5 miles southeast of Artesia, New Mexico.

**57. Case No. 22149: Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico.**

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) in a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Sections 16 and 21, Township 24 South, Range 33 East in Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the following two-mile wells: (1) Apollo State Com #132H well, to be horizontally drilled from an approximate surface hole location 856' FSL and 2110' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1750' FWL of Section 16, T24S-R33E; (2) Apollo State Com #135H well, to be horizontally drilled from an approximate surface hole location 863' FSL and 440' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 750' FWL of Section 16, T24S-R33E; (3) Apollo State Com #201H well, to be horizontally drilled from an approximate surface hole location 823' FSL and 550' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 331' FWL of Section 16, T24S-R33E; (4) Apollo State Com #202H well, to be horizontally drilled from an approximate surface hole location 816' FSL and 2110' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1650' FWL of Section 16, T24S-R33E; (5) Apollo State Com #205H well, to be horizontally drilled from an approximate surface hole location 888' FSL and 465' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1245' FWL of Section 16, T24S-R33E; (6) Apollo State Com #211H well, to be horizontally drilled from an approximate surface hole location 863' FSL and 465' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 750' FWL of Section 16, T24S-R33E; (7) Apollo State Com #212H well, to be horizontally drilled from an approximate surface hole location 881' FSL and 2135' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 2308' FWL of Section 16, T24S-R33E; and (8) Apollo State Com #222H well, to be horizontally drilled from an approximate surface hole location 881' FSL and 2110' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1750' FWL of Section 16, T24S-R33E. The completed intervals and first and last take points for these wells will meet statewide setback requirements for horizontal wells. 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 Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 23 miles northwest of Jal, New Mexico.

**58. Case No. 22150: Application of OXY USA Inc. for Closed Loop Gas Capture Injection Pilot Project, Eddy County, New Mexico.**

Applicant in the above-styled cause seeks an order authorizing it to engage in a closed loop gas capture injection pilot project ("pilot project") in the Bone Spring formation in the, within a 480-acre, more or less, project area for this pilot project consisting of all of the S/2 N/2 of Section 21, and the N/2 N/2 of Sections 28 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, by occasionally injecting into the following wells:

- The Cedar Canyon 21 Fed Com #023H well (API No. 30-015-44191) [Corral Draw; Bone Spring Pool (Pool Code 96238)], with a surface location 1824 feet FNL and 141 feet FWL (Unit E) in Section 21, and a bottom hole location 2177 feet FNL and 175 feet FEL (Unit H) in Section 21.
- The Cedar Canyon 28 Fed Com #8H well (API No. 30-015-43819) [Pierce Crossing; Bone Spring, East Pool (Pool Code 97473)], with a surface location 170 feet FNL and 319 feet FEL (Unit A) in Section 29, and a bottom hole location 448 feet FNL and 189 feet FEL (Unit A) in Section 28.
- The Cedar Canyon 29 Fed Com #2H well (API No. 30-015-42992) [Pierce Crossing; Bone Spring (Pool Code 50371)], with a surface location 200 feet FNL and 319 feet FEL (Unit A) in Section 29, and a bottom hole location 456 feet FNL and 182 feet FWL (Unit D) in Section 29.

OXY seeks authority to utilize this producing well to occasionally inject produced gas into the Bone Spring formation at total vertical depths of between approximately 8,419 feet to 8,710 feet along the horizontal portion of each wellbore at surface injection pressures of no more than 1,250 psi. The source of the produced gas will be the Bone Spring and Wolfcamp formations. The subject acreage is located approximately 9 miles southeast of Loving, New Mexico.

**59. Case No. 22151: Application of OXY USA Inc. for Closed Loop Gas Capture Injection Pilot Project, Eddy County, New Mexico.**

Applicant in the above-styled cause seeks an order authorizing it to engage in a closed loop gas capture injection pilot project ("pilot project") in the Bone Spring formation, within a 800-acre, more or less, project area for this pilot project consisting of the W/2 W/2 of Sections 21, 28, and 35, and the E/2 of Section 35, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, by occasionally injecting into the following wells:

- The Cal-Mon MDP1 "35" Federal #1H well (API No. 30-015-44771) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 277 feet FNL and 1077 feet FWL (Unit D) in Section 35, and a bottom hole location 202 feet FSL and 464 feet FWL (Unit M) in Section 35.
- The Cal-Mon MDP1 "35" Federal #2H well (API No. 30-015-44772) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 277 feet FNL and 1112 feet FWL (Unit D) in Section 35, and a bottom hole location 187 feet FSL and 1248 feet FWL (Unit M) in Section 35.
- The Cal-Mon "35" Federal #41H well (API No. 30-015-43140) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 250 feet FNL and 710 feet FWL (Unit D) in Section 35, and a bottom hole location 193 feet FSL and 951 feet FWL (Unit M) in Section 35.
- The Irdium MDP1 "28-21" Federal Com #21H well (API No. 30-015-45074) [Ingle Wells; Bone Spring Pool (Pool Code 33740)], with a surface location 610 feet FSL and 648 feet FWL (Unit M) in Section 28, and a bottom hole location 24 feet

FNL and 303 feet FWL (Unit D) in Section 21.

- The Cal-Mon “35” Federal #175H well (API No. 30-015-45524) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 110 feet FNL and 615 feet FEL (Unit A) in Section 35, and a bottom hole location 17 feet FSL and 824 feet FEL (Unit P) in Section 35.
- The Cal-Mon MDP1 “35” Federal #4H well (API No. 30-015-44774) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 120 feet FNL and 2624 feet FWL (Unit C) in Section 35, and a bottom hole location 191 feet FSL and 2180 feet FEL (Unit O) in Section 35.
- The Cal-Mon MDP1 “35” Federal #5H well (API No. 30-015-44775) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 110 feet FNL and 890 feet FEL (Unit A) in Section 35, and a bottom hole location 200 feet FSL and 1068 feet FEL (Unit P) in Section 35.

OXY seeks authority to utilize these producing wells to occasionally inject produced gas into the Bone Spring formation at true vertical depths of between approximately 8,000 feet to 11,600 feet along the horizontal portion of each wellbore at surface injection pressures of no more than 1,250 psi. The source of the produced gas will be the Bone Spring and Wolfcamp formations. The subject acreage is located approximately 17 miles east of Loving, New Mexico.

**60. Case No. 22152: Application of OXY USA Inc. for Closed Loop Gas Capture Injection Pilot Project, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order authorizing it to engage in a closed loop gas capture injection pilot project (“pilot project”) in the Bone Spring formation, within a 1,120-acre, more or less, project area for this pilot project consisting of the W/2 W/2 and the E/2 of Section 17, and Section 18, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico, by occasionally injecting into the following wells:

- The Patton MDP1 “17” Federal #1H well (API No. 30-015-44459) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 170 feet FSL and 846 feet FWL (Unit M) in Section 8, and a bottom hole location 196 feet FSL and 484 feet FWL (Unit M) in Section 17.
- The Patton MDP1 “17” Federal #4H well (API No. 30-015-44497) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 432 feet FSL and 2,292 feet FWL (Unit N) in Section 8, and a bottom hole location 219 feet FSL and 2,158 feet FEL (Unit O) in Section 17.
- The Patton MDP1 “17” Federal #5H well (API No. 30-015-44444) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 834 feet FSL and 1,585 feet FEL (Unit O) in Section 8, and a bottom hole location 214 feet FSL and 1,211 feet FEL (Unit P) in Section 17.
- The Patton MDP1 “17” Federal #176H well (API No. 30-015-45079) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 772 feet FNL and 1,297 feet FEL (Unit A) in Section 17, and a bottom hole location 31 feet FSL and 353 feet FEL (Unit P) in Section 17.
- The Patton MDP1 “18” Federal #1H well (API No. 30-015-44317) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 609 feet FSL and 712 feet FWL (Lot 4) in Section 7, and a bottom hole location 209 feet FSL and 462 feet FWL (Lot 4) in Section 18.
- The Patton MDP1 “18” Federal #2H well (API No. 30-015-44337) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 170 feet FNL and 1,898 feet FWL (Unit C) in Section 18, and a bottom hole location 205 feet FSL and 1,466 feet FWL (Unit N) in Section 18.
- The Patton MDP1 “18” Federal #3H well (API No. 30-015-44333) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 170 feet FNL and 1,928 feet FWL (Unit C) in Section 18, and a bottom hole location 200 feet FSL and 2,513 feet FWL (Unit N) in Section 18.
- The Patton MDP1 “18” Federal #5H well (API No. 30-015-44272) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 150 feet FNL and 285 feet FEL (Unit A) in Section 18, and a bottom hole location 20 feet FSL and 1,035 feet FEL (Unit P) in Section 18.
- The Patton MDP1 “18” Federal #7H well (API No. 30-015-44273) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 150 feet FNL and 255 feet FEL (Unit A) in Section 18, and a bottom hole location 51 feet FSL and 402 feet FEL (Unit P) in Section 18.
- The Patton MDP1 “18” Federal #23H well (API No. 30-015-44316) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 335 feet FNL and 2,122 feet FEL (Unit B) in Section 18, and a bottom hole location 192 feet FSL and 2,212 feet FEL (Unit O) in Section 18.
- The Patton MDP1 “18” Federal #33H well (API No. 30-015-44338) [Cotton Draw; Bone Spring Pool (Pool Code 13367)], with a surface location 335 feet FNL and 2,062 feet FEL (Unit B) in Section 18, and a bottom hole location 126 feet FSL and 1,350 feet FEL (Unit O) in Section 18.

OXY seeks authority to utilize this producing well to occasionally inject produced gas into the Bone Spring formation at true vertical depths of between approximately 8,150 feet to 11,500 feet along the horizontal portion of each wellbore at surface injection pressures of no more than 1,200 psi. The source of the produced gas will be the Bone Spring and Wolfcamp formations. The subject acreage is located approximately 17 miles east of Loving, New Mexico.

**61. Case No. 22153: Application of Spur Energy Partners, LLC for compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Yeso formation, from the top of the Yeso formation to a depth of 4,100 feet, underlying a standard 320-acre horizontal spacing unit comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

Applicant proposes to dedicate the above-referenced spacing unit to the following wells:

- The Blalock #1H well, and the Blalock #11H well, each of which will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 31, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 32;
- The Blalock #10H well, and the Blalock #30H well, each of which will be horizontally drilled from a common surface location in the SE/4 NE/4 (Unit H) of Section 31, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 32.

The completed interval of the Blalock #30H well will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

Also, to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, actual operating costs, 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 13 miles south of Artesia, New Mexico.

**62. Case No. 22154: Application of Spur Energy Partners, LLC for compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Yeso formation, from the depth of 4,130 feet to the base of the Yeso formation, underlying a standard 320-acre horizontal spacing unit comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following wells:

- The Blalock #51H well, the Blalock #71H well, and the Blalock #91H well each of which will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 31, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 32;
- The Blalock #50H well, the Blalock #70H well, and the Blalock #90H well each of which will be horizontally drilled from a common surface location in the SE/4 NE/4 (Unit H) of Section 31, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 32.

The completed interval of the Blalock #50H well will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

Also, to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, actual operating costs, 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 13 miles south of Artesia, New Mexico.

**63. Case No. 22155: Application of LOGOS Operating, LLC for Authorization to Inject and for Approval of an Enhanced Recovery Pilot Project, and for an Exception to the Project Area Formation Provisions of NMAC 19.15.26.8, San Juan County, New Mexico.** Applicant seeks an order authorizing the injection of carbon dioxide into the Fruitland Coal formation, Basin Fruitland Coal Gas Pool, (71629) in San Juan County, New Mexico in the following well:  
Quinn No. 338S

1,690' FSL & 1,045' FWL (Unit K)

Section 7

T-31-N, R-8-W, NMPM

San Juan County, New Mexico

Applicant proposes to convert the subject well and utilize it for injection of carbon dioxide at depths of 2,675' to 3,008' subsurface to support CO2 sequestration and enhanced recovery operations in a pilot project study area within a half-mile area of review from the Quinn No. 338S located on portions of the following:

Township 31 North, Range 8 West

Section 7

Section 18

Township 31 North, Range 9 West

Section 12

Section 13

The well and lands are located in Pump Canyon approximately 4 miles west of State Highway 511.

**64. Case No. 22156: Application of Devon Energy Production Company, L.P. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, spacing and proration unit comprised of the S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 25-26 Fed Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; proximity tracts will be utilized for the unit; 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 3 miles southeast of Artesia, New Mexico.

**65. Case No. 22157: Application of Devon Energy Production Company, L.P. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a wildcat oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 25-26 Fed Com 623H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; 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 3 miles southeast of Artesia, New Mexico.

**66. Case No. 22158: Application of Devon Energy Production Company, L.P. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a wildcat oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 25-26 Fed Com 624H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; 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 3 miles southeast of Artesia, New Mexico.

**67. Case No. 22159: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order pooling of all mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 24 and the S/2 of Section 23, Township 23 South, Range 26 East, NMPM. The unit will be dedicated to (i) the Currahee 24/23 W0IL Fed. Com. Well No. 1H, with a first take point in the NE/4SE/4 of Section 24 and a final take point in the NW/4SW/4 of Section 23, and (ii) the Currahee 24/23 W0MP Fed. Com. Well No. 1H, with a first take point in the SE/4SE/4 of Section 24 and a final take point in the SW/4SW/4 of Section 23. 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 11 miles north-northeast of Carlsbad, New Mexico.

**68. Case No. 22160: Application of Mewbourne Oil Company to re-open Case No. 21770 for compulsory pooling to pool additional parties, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 35 and the W/2 of Section 26, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to: (a) The Layla 35/26 W0MD Fee Well No. 1H, with a first take point in the SW/4SW/4 of Section 35 and a last take point in the NW/4NW/4 of Section 26; (b) The Layla 35/26 W0NC Fee Well No. 1H, with a first take point in the SE/4SW/4 of Section 35 and a last take point in the NE/4NW/4 of Section 26; and (c) The Layla 35/26 W0NC Fee Well No. 2H, with a first take point in the SE/4SW/4 of Section 35 and a last take point in the NE/4NW/4 of Section 26. 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 3-1/2 miles north-northeast of Malaga, New Mexico.

**69. Case No. 22161: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.** Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 18 and the W/2W/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to (a) the Spanish Bay 18/19 B1DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/4 of Section 19, and (b) the Spanish Bay 18/19 B2DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/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 approximately 14-1/2 miles south-southeast of Maljamar, New Mexico.



**70. Case No. 22162: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.**

Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 18 and the E/2W/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to (a) the Spanish Bay 18/19 B1CN Fed. Com. Well No. 1H, with a first take point in the NE/4NW/4 of 18 and a last take point in the SE/4SW/4 of Section 19, and (b) the Spanish Bay 18/19 B2CN Fed. Com. Well No. 1H, with a first take point in the NE/4NW/4 of 18 and a last take point in the SE/4SW/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 approximately 14-1/2 miles south-southeast of Maljamar, New Mexico.

**71. Case No. 22163: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.**

Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 18 and the W/2E/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to (a) the Spanish Bay 18/19 B1BO Fed. Com. Well No. 1H, with a first take point in the NW/4NE/4 of 18 and a last take point in the SW/4SE/4 of Section 19, and (b) the Spanish Bay 18/19 B2BO Fed. Com. Well No. 1H, with a first take point in the NW/4NE/4 of 18 and a last take point in the SW/4SE/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 approximately 15 miles south-southeast of Maljamar, New Mexico.

**72. Case No. 22164: Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.**

Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 18 and the E/2E/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to (a) the Spanish Bay 18/19 B1AP Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of 18 and a last take point in the SE/4SE/4 of Section 19, and (b) the Spanish Bay 18/19 B2AP Fed. Com. Well No. 1H, with a first take point in the NE/4NE/4 of 18 and a last take point in the SE/4SE/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 approximately 15 miles south-southeast of Maljamar, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Wednesday, August 11, 2021

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

**Adrienne Sandoval  
Director, Oil Conservation Division**