DOCKET: OIL CONSERVATION DIVISION HEARINGS - Tuesday, April 29, 2025

9:00 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505 and via MS Teams (login information below)

Virtual Attendance:

Click HERE to be connected to the meeting.

Dial-in by phone:

(505) 312-4308

Phone conference ID: 181 612 495#

Contested Hearings: Pre-hearing statements shall be filed no later than 9:00 a.m., 4 business days before the hearing and in addition to the requirements of 19.15.4.13.B(1) NMAC, shall include the following: all evidentiary exhibits, documents, affidavits, and full-written testimony of any witness a party offers at the hearing. Exhibits must be sequentially marked on every page. Failure to file a complete pre-hearing statement on time may cause the Hearing Examiner to continue the hearing and/or impose sanctions up to and including the exclusion of late-filed evidence. Evidentiary objections must be filed no later than 48 hours before the hearing. Rulings on the objections will be addressed as a preliminary matter when the case is called. All witnesses filing direct testimony shall attend the hearing and may be subject to cross-examination by Counsel and the Division's Examiners.

NOTICE: The hearing examiner may call the following cases in any order at their discretion.

	Case Number	Description
1.	25093	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 201H well ("Well"), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 23 to a last take point in the SW/4 SW/4 (Unit M) of Section 26. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 32 miles east of Carlsbad, New Mexico.
		Setting: Contested Hearing Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner Joined with Cases: 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305
2.	25094	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 202H well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 23 to a last take point in the SE/4 SW/4 (Unit N) of Section 26. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 32 miles east of Carlsbad, New Mexico.
		Setting: Contested Hearing Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner Joined with Cases: 25093, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

Generated: 4/16/2025 2:52:29 PM

3. 25095

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 203H well ("Well"), which will be produce from a first take point in the NW/4 NE/4 (Unit B) of Section 23 to a last take point in the SW/4 SE/4 (Unit O) of Section 26. The completed interval of the Well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 23 and 26 to allow for the creation of a 640-acre, more or less, standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

4. 25096

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling uncommitted interests in the Bone Spring formation, save and except the Second Bone Spring interval, underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): Spicy Chicken 23 Fed Com #114H and Spicy Chicken 23 Fed Com #133H, which will produce from first take points in the NW/4 NE/4 (Unit B) of Section 23 to last take points in the SW/4 SE/4 (Unit O) of Section 26; and Spicy Chicken 23 Fed Com #115H and Spicy Chicken 23 Fed Com #134H, which will produce from first take points in the NE/4 NE/4 (Unit A) of Section 23 to last take points in the SE/4 SE/4 (Unit P) of Section 26. The completed intervals of the Wells will be orthodox. The completed interval of the Spicy Chicken 23 Fed Com #134H well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 23 and 26 to allow for the creation of a 640-acre standard, horizontal spacing unit. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool interests in the First and Third Bone Spring intervals and exclude interests in the Second Bone Spring interval, from approximately 9,444' TVD to 9,930' TVD as shown on the Hanson State #1 well log (API 30-025-2499). 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 are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

5. 25097

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling uncommitted interests in the Bone Spring formation, save and except the Second Bone Spring interval, underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): Spicy Chicken 23 Fed Com #111H and Spicy Chicken 23 Fed Com #131H, which will produce from first take points in the NW/4 NW/4 (Unit D) of Section 23 to last take points in the SW/4 SW/4 (Unit M) of Section 26; and Spicy Chicken 23 Fed Com #112H and Spicy Chicken 23 Fed Com #113H, which will produce from first take points in the NE/4 NW/4 (Unit C) of Section 23 to last take points in the SE/4 SW/4 (Unit N) of Section 26. The completed interval of the Spicy Chicken 23 Fed Com #131H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 23 and 26 to allow for the creation of a 640-acre standard, horizontal spacing unit. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool interests in the First and

Third Bone Spring intervals and exclude interests in the Second Bone Spring interval, from approximately 9,444' TVD to 9,930' TVD as shown on the Hanson State #1 well log (API 30-025-2499). 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 are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

6. 25098

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 213H and Spicy Chicken 23 Fed Com 224H wells ("Wells"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 23 to a last take point in the SE/4 SW/4 (Unit N) of Section 26. The completed intervals of the Wells will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool interests in the Second Bone Spring interval from approximately 9,444' TVD to 9,930' TVD as shown on the Hanson State #1 well log (API 30-025-2499). 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 are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

7. 25099

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, **New Mexico.** Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 215H and Spicy Chicken 23 Fed Com 226H wells, which will produce from first take points in the NW/4 NE/4 (Unit B) of Section 23 to last take points in the SW/4 SE/4 (Unit O) of Section 26; and the Spicy Chicken 23 Fed Com 217H well, which will produce from a first take point in the NE/4 NE/4 (Unit A) of Section 23 to a last take point in the SE/4 SE/4 (Unit P) of Section 26. The completed intervals of the Wells will be orthodox. The completed interval of the Spicy Chicken 23 Fed Com 226H well will be located within 330' of the guarter-guarter section line separating the E/2 E/2 and W/2 E/2 of Sections 23 and 26 to allow for the creation of a 640acre, more or less, standard horizontal spacing unit. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool interests in the Second Bone Spring interval from approximately 9,444' TVD to 9,930' TVD as shown on the Hanson State #1 well log (API 30-025-2499). 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 are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

8. 25100

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Spicy Chicken 23 Fed Com 211H and Spicy Chicken 23 Fed Com 222H wells ("Wells"), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 23 to a last take point in the SW/4 SW/4 (Unit M) of Section 26. The completed intervals of the Wells will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool interests in the Second Bone Spring interval from approximately 9,444' TVD to 9,930' TVD as shown on the Hanson State #1 well log (API 30-025-2499). 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 are located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss Applications and Vacate Contested Hearing filed by Permian on April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

9. 25169

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 482-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation, save and except the Second Bone Spring interval, underlying the W2SW4 of Section 26 and the W2W2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 1, 8, 9 and 16, and the E2SE4 (E2E2 equivalent) of irregular Section 2, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Due to ownership differences in the Bone Spring formation underlying this acreage, Applicant seeks to exclude from pooling the Second Bone Spring interval defined as the stratigraphic equivalent of the depths between 9,206' TVD and 9,992' TVD, as shown in the logs of the Sam H. Snoddy Federal #001 well (30-025-27812). Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 111H and Twinkle 2601 Fed Com 131H wells, all to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 26, with first take points in the NW4SW4 (Unit L) of Section 26, T20S, R32E, and last take point in the SE4SE4 (Unit P) of Section 2, T21S, R31E. This proposed standard horizontal well spacing unit will overlap the following existing or proposed horizontal wells spacing units in the Bone Spring formation:

A proposed 482-acre spacing unit comprised of this same acreage in the Second Bone Spring interval to be dedicated to the Twinkle 2601 Fed Com 121H well proposed by MRC; and
An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S, R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

10. 25172

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico.

Generated: 4/16/2025 2:52:29 PM

Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation, save and except the Second Bone Spring interval, underlying the E2SE4 of Section 26 and the E2E2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 2, 7, 10, 15 and the W2SE4 (W2E2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Due to ownership differences in the Bone Spring formation underlying this acreage, Applicant seeks to exclude from pooling the Second Bone Spring interval defined as the stratigraphic equivalent of the depths between 9,206' TVD and 9,992' TVD, as shown in the logs of the Sam H. Snoddy Federal #001 well (30-025-27812). Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 114H and Twinkle 2601 Fed Com 134H wells, all to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, with first take points in the NE4SE4 (Unit I) of Section 26, T20S, R32E, and last take points in the SW4SE4 (Unit O) of Section 1, T21S, R31E. This proposed standard horizontal well spacing unit will overlap the following existing or proposed horizontal wells spacing units in the Bone Spring formation:

• A proposed 483-acre spacing unit comprised of this same acreage in the Second Bone Spring interval to be dedicated to the Twinkle 2601 Fed Com 124H well proposed by MRC; and • An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S, R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25173, 25176, 25177, 25178, 25179, 25180, 25304, 25305

11. 25173

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 482-acre, more or less, overlapping horizontal well spacing unit in the Second Bone Spring interval of the Bone Spring formation underlying the W2SW4 of Section 26 and the W2W2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 1, 8, 9 and 16, and the E2SE4 (E2E2 equivalent) of irregular Section 2, Township 21 South, Range 31 East, Eddy County, New Mexico: and (b) pooling the uncommitted interest owners in this acreage. Due to ownership differences in the Bone Spring formation underlying this acreage, Applicant seeks to pool only the Second Bone Spring interval defined as the stratigraphic equivalent of the depths between 9,206' TVD and 9,992' TVD, as shown in the logs of the Sam H. Snoddy Federal #001 well (30-025-27812). Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 121H wells to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 26, with a first take point in the NW4SW4 (Unit L) of Section 26, T20S, R32E, and a last take point in the SE4SE4 (Unit P) of Section 2, T21S, R31E. This proposed standard horizontal well spacing unit will overlap the following existing or proposed horizontal well spacing units in the Bone Spring formation:

- A proposed 482-acre spacing unit comprised of this same acreage in the intervals above and below the Second Bone Spring interval to be dedicated to the Twinkle 2601 Fed Com 111H and 131H wells proposed by MRC; and
- An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S, R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560)

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25176, 25177, 25178, 25179, 25180, 25304, 25305

12. 25176

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Second Bone Spring interval of the Bone Spring formation underlying the E2SE4 of Section 26 and the E2E2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 2, 7, 10, 15 and the W2SE4 (W2E2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Due to ownership differences in the Bone Spring formation underlying this acreage, Applicant seeks to pool only the Second Bone Spring interval defined as the stratigraphic equivalent of the depths between 9,206' TVD and 9,992' TVD, as shown in the logs of the Sam H. Snoddy Federal #001 well (30-025-27812). Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 124H well to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, with a first take point in the NE4SE4 (Unit I) of Section 26, T20S, R32E, and a last take point in the SW4SE4 (Unit O) of Section 1, T21S, R31E. This proposed standard horizontal well spacing unit will overlap the following existing or proposed horizontal wells spacing units in the Bone Spring formation:

- A proposed 483-acre spacing unit comprised of this same acreage in the intervals above and below the Second Bone Spring interval to be dedicated to the Twinkle 2601 Fed Com 114H and 134H wells proposed by MRC; and
- An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S, R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25177, 25178, 25179, 25180, 25304, 25305

13. 25177

Application of MRC Permian Company for Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 482-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the W2SW4 of Section 26 and the W2W2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 1, 8, 9 and 16, and the E2SE4 (E2E2 equivalent) of irregular Section 2, Township 21 South, Range 31 East, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 201H well, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 26, with a first take point in the NW4SW4 (Unit L) of Section 26, T20S, R32E, and a last take point in the SE4SE4 (Unit P) of Section 2, T21S, R31E. Also, to be considered will be the cost of drilling and

completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico. Setting: Contested Hearing Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25178, 25179, 25180, 25304, 25305 14. 25178 Application of MRC Permian Company for Compulsory Pooling, Eddy and Lea Counties, **New Mexico.** Applicant in the above-styled cause seeks an order pooling a standard 483-acre. more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E2SW4 of Section 26 and the E2W2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 4-5 and 12-13, and the W2SW4 (W2W2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 202H well, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 26, with a first take point in the NE4SW4 (Unit K) of Section 26, T20S, R32E, and a last take point in the SW4SW4 (Unit M) of irregular Section 1, T21S, R31E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico. Setting: Contested Hearing Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25179, 25180, 25304, 25305 15. 25179 Application of MRC Permian Company for Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 483-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the W2SE4 of Section 26 and the W2E2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 3, 6, 11, 14, and the E2SW4 (E2W2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 203H well, to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, with a first take point in the NW4SE4 (Unit J) of Section 26, T20S, R32E, and a last take point in the SE4SW4 (Unit N) of irregular Section 1, T21S, R31E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico. Setting: Contested Hearing Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25180, 25304, 25305 16. 25180 Application of MRC Permian Company for Compulsory Pooling, Eddy and Lea Counties, **New Mexico.** Applicant in the above-styled cause seeks an order pooling a standard 483-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E2SE4 of Section 26 and the E2E2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 2, 7, 10, 15, and the W2SE4 (W2E2 equivalent) of irregular Section 1,

Township 21 South, Range 31 East, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 204H well,

to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, with a first take point in the NE4SE4 (Unit I) of Section 26, T20S, R32E, and a last take point in the SW4SE4 (Unit O) of irregular Section 1, T21S, R31E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25304, 25305

17. 25304

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 SW/4 of Section 26 and the E/2 W/2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 4, 5, 12, 13 and the W/2 SE/4 (W/2 W/2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 112H, Twinkle 2601 Fed Com 122H, and Twinkle 2601 Fed Com 132H wells to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 26, T20S-R32E, with first take points in the NE/4 SW/4 (Unit K) of Section 26, T20S-R32E, and last take points in the SW/4 SW/4 (Unit M) of irregular Section 1, T21S-R31E. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

• An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S-R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30- 025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed wells. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25305

18. 25305

Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 SE/4 of Section 26 and the W/2 E/2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 3, 6, 11, 14 and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 113H, Twinkle 2601 Fed Com 123H, and Twinkle 2601 Fed Com 133H wells to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, T20S-R32E, with a first take points in the NW/4 SE/4 (Unit J) of Section 26, T20S-R32E, and a last take point in the SE/4 SW/4 (Unit N) of Section 1, T21S-R31E. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

• An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S-R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30- 025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

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, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

Setting: Contested Hearing

Unopposed Motion to Dismiss and Vacate Contested Hearing filed by MRC Permian April 17th; referred to Hearing Examiner

Joined with Cases: 25093, 25094, 25095, 25096, 25097, 25098, 25099, 25100, 25169, 25172, 25173, 25176, 25177, 25178, 25179, 25180, 25304

19. 25204

Application of WPX Energy Permian, LLC, for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying a standard 640-acre, more or less, spacing unit comprised of the N/2 of Sections 32 and 33. Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the Frontier 33-32 State Fed Com 601H Well, a gas well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 33 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 32 and the Frontier 33-32 State Fed Com 602H Well, a gas well, to be horizontally drilled from a surface location surface location in the NE/4 NE/4 (Unit A) of Section 33 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 32. The wells are unorthodox in their locations; the take points do not comply with setback requirements in Order No. R-14262 governing the Purple Sage; Wolfcamp pool. Applicant will be applying with the Division for administrative approval of the nonstandard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 11 miles southwest of Carlsbad, New Mexico.

Setting: Contested Hearing

Joined with Cases: 25123, 25124, 25205

20. 24874

Application of Avant Operating, LLC for compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the N/2 of Sections 14 and 15, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Shinnery Oak 15 Fed Com #301H, Shinnery Oak 15 Fed Com #302H, Shinnery Oak 15 Fed Com #501H, Shinnery Oak 15 Fed Com #502H, Shinnery Oak 15 Fed Com #601H and Shinnery Oak 15 Fed Com #602H wells with proposed surface hole locations in the SW/4NW/4 (Unit E) of Section 15 and proposed last take points in the NE/4NE/4 (Unit A) of Section 14; and Shinnery Oak 15 Fed Com #303H, Shinnery Oak 15 Fed Com #503H, and Shinnery Oak 15 Fed Com #603H wells with proposed surface hole locations in the SW/4NW/4 (Unit E) of Section 15 and proposed last take points in the SE/4NE/4 (Unit H) of Section 14. The wells will be drilled at orthodox locations. Avant also seeks, to the extent necessary, approval of an overlapping spacing unit. This proposed horizontal spacing unit will partially overlap with the following spacing units:

- A 160-acre Bone Spring horizontal spacing unit comprised of the N/2N/2 of Section 14, Township 18 South, Range 32 East, dedicated to RAYBAW Operating, LLC's Shinnery 14 Federal #010H well (API 30-025-40072);
- A 160-acre Bone Spring horizontal spacing unit comprised of the N/2N/2 of Section 15, Township 18 South, Range 32 East, dedicated to RAYBAW Operating, LLC's West Shinnery 15 Federal #002H well (API 30-025-39956); and

• A 160-acre Bone Spring horizontal spacing unit comprised of the N/2S/2 of Section 15, Township 18 South, Range 32 East, dedicated to Cimarex Energy Co. of Colorado's West Shinnery 15 Federal #003H well (API 30-025-40066).

The completed intervals for the Shinnery Oak 15 Fed Com #302H, Shinnery Oak 15 Fed Com #502H, Shinnery Oak 15 Fed Com #602H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 7 miles south of Maljamar, New Mexico.

Setting: Contested Hearing

21. 25205

Application of WPX Energy Permian, LLC, for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying a standard 640-acre, more or less, spacing unit comprised of the S/2 of Sections 32 and 33, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the Frontier 33-32 Fed Com 603H Well, a gas well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 33 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 32; and the Frontier 33-32 Fed Com 604H Well, a gas well, to be horizontally drilled from a surface location surface location in the NE/4 SE/4 (Unit I) of Section 33 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 32. The wells are unorthodox in their locations; the take points do not comply with setback requirements in Order No. R-14262 governing the Purple Sage; Wolfcamp pool. Applicant will be applying with the Division for administrative approval of the nonstandard locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 11 miles South Southwest of Carlsbad, New Mexico.

Setting: Contested Hearing

Joined with Cases: 25123, 25124, 25204

22. 25123

Application of 3R Operating, LLC for Approving a Standard Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 640-acre, more or less, standard horizontal spacing and proration unit composed of all of the N/2 of Sections 32 and 33, Township 23 South, Range 26 East, N.M.P.M.; and (2) pooling all uncommitted mineral interests in the Wolfcamp Formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the: Crystal 33 32 Fed Comm 701H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 32; Crystal 33 32 Fed Comm 702H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in SW/4 NW/4 (Unit E) of Section 32; Crystal N 33 32 Fed Comm 801H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in NW/4 NW/4 (Unit D) of Section 32; and Crystal N 33 32 Fed Comm 802H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the NE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in SW/4NW/4 (Unit E) of Section 32. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 6 miles southwest from Carlsbad, New Mexico.

Setting: Contested Hearing

Joined with Cases: 25124, 25204, 25205

23. 25124

Application of 3R Operating, LLC for Approving a Standard Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 640-acre, more or less, standard horizontal spacing and proration unit composed of all of the S/2 of Sections 32 and 33, Township 23 South, Range 26 East, N.M.P.M.; and (2) pooling all uncommitted mineral interests in the Wolfcamp Formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the: Crystal SW 33 32 Fed Comm 703H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 SW/4 (Unit L) of Section 32; Crystal SW 33 32 Fed Com 803H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in NW/4 SW/4 (Unit L) of Section 32; and Crystal SW 33 32 Fed Com 804H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in SW/4 SW/4 (Unit M) of Section 32. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 6 miles southwest from Carlsbad, New Mexico.

Setting: Contested Hearing

Joined with Cases: 25123, 25204, 25205