Agenda No. 47-21

PRELIMINARY AGENDA

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION REGULAR MEETING

SANTA FE, NEW MEXICO

December 9, 2021 9:00 A.M.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and meetings will be conducted remotely. The Oil Conservation Commission meeting will be held via Webex Meeting platform. The public meeting can be accessed by using the following link and/or meeting information:

Event: OCC Meeting December 9, 2021

Type: Unlisted Event

Event address for https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e44d24f966520cc61

attendees: ce2e8813a959d5b3

Date and time: Thursday, December 9, 2021 9:00 am

Mountain Standard Time (Denver, GMT-07:00)

Duration: 9 hours

Description:

Event number: 2492 884 5587 **Event password:** HCsmkGzi664

Video Address: 24928845587@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your meeting number.

Audio conference: To receive a call back, provide your phone number when you join the event, or call the

number below and enter the access code.

United States Toll +1-408-418-9388

Show all global call-in numbers Access code: 2492 884 5587

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at (505) 470-5480 or through the New Mexico Relay Network at 1-800-659-1779 by **November 30, 2021**. Public documents can be provided in various accessible formats. A preliminary agenda will be available to the public no later than two weeks prior to the meeting. A final agenda will be available no later than 72 hours preceding the meeting. Members of the public may obtain copies of the agenda by contacting Ms. Davidson at the phone number indicated above. Also, the agenda will be posted on the Oil Conservation Division website at www.emnrd.nm.gov/ocd.

The following items are for discussion and possible action:

- 1. Roll Call
- 2. Approval of Agenda
- 3. Approval of December 3, 2021 Minutes
- 4. De Novo Case No. 21744: (Case No. 21629): Application of Cimarex Energy Co. for Hearing De Novo of Case No. 21629, Eddy County, New Mexico. The New Mexico Oil Conservation Division issued Order No. R-21575 in Case No. 21629. Magnum Hunter Production, Inc., an affiliate of Cimarex Energy Co. (collectively referred to herein as "Cimarex") owned a working interest in the unit pooled by Order No. R- 21575, issued pursuant to a hearing held before the Division on January 7, 2021. Cimarex, a party of record adversely affected by Order No. R-21575, requests that the matter

Agenda No. 47-21 December 9, 2021 Page 2

raised in this case be heard de novo before the Oil Conservation Commission pursuant to NMSA 1978, §70-2-13.

5. Case No. 22309:

Order R-21834, Case No. 21733: 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 the Yeso formation, underlying a standard 480-acre horizontal spacing unit comprised of the N/2 of Section 13, and the NE/4 of Section 14, 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 Aid North #10H well, and the Aid North #50H, each of which will be horizontally drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 13;
- The Aid North #11H well, the Aid North #12H well, the Aid North #51H well, and the Aid North #70H well, each of which will be horizontally drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 14 to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 13. The completed interval of the Aid North #11H 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 13 and the N/2 NE/4 from the S/2 SE/4 of Section 14 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.
- 5. Pending litigation.
- 6. Other business
- 7. Next meeting December 17, 2021 Special Meeting