

NOTICE OF HEARING

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

April 14, 2022

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:

OCC Meeting April 14, 2022

Event:

Type: Unlisted Event

Event address for attendees: <https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e0eb638e57b08f2375219f33dcf6a42f2>

Date and time: Thursday, April 14, 2022 9:00 am
Mountain Daylight Time (Denver, GMT-06:00)

Duration: 9 hours

Description:

Event number: 2495 201 9096

Event password: mbGhimuJ352

Video Address: 24952019096@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.

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Access code: 2495 201 9096

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 **April 4, 2022**. 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:

Status conference and adoption of final order in Case No. 21629 De Novo Case No. 21744:

Application of Cimarex Energy Co. for Hearing De Novo of Case No. 21629, Eddy County, New Mexico (Evidentiary Hearing on Invalidation of Division Order)

Update on Case No. 21872: Application of Titus Oil & Gas Production, LLC for Approval of Production Allocation, Lea County, New Mexico

Case No. 22473: Application of Titus Oil & Gas Production, LLC for Approval of Production Allocation, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division approving the production allocation of minerals in the Bone Spring formation (WC-025 G-08 S263412K; Bone Spring [96672]) underlying a standard 280-acre, more or less, horizontal spacing and proration unit (“HSU”)

comprised of the E/2 E/2 of Section 29 and the NE/4 NE/4 and Lot 1 of irregular Section 32, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico, and Lot 1 of irregular Section 25, Block C24, in Loving County, Texas. The HSU will be dedicated to the El Campeon Fed Com 204H well, to be horizontally drilled from an approximate surface hole location 332' FSL and 620' FEL of Section 20, T26S-R35E, Lea County, New Mexico, to an approximate bottom hole location 10' FSL and 1912' FEL of Section 25, Block C24, Public School Land Survey, Abstract No. 701, Loving County, Texas. The well will cross the New Mexico/Texas border, continuing to produce in the Bone Spring formation (Sandbar (Bone Spring) [Texas Field No. 80544500, District Name: 08]). Production will be allocated to New Mexico and Texas prorated on the basis of surface acreage in the proration unit or in any other manner mutually acceptable to the Division and to the Railroad Commission of Texas. The first take point and the completed interval will meet the setback requirements set forth in the statewide rules for horizontal oil wells. The last take point within New Mexico will be on the state line between New Mexico and Texas. The well and lands are located approximately 14 miles southwest of Jal, New Mexico.

De Novo Case No. 22474, OCD Case No. 22294: Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the WC-025 G-09 S243532M; Wolfbone Pool (98098), underlying a standard 960.16-acre, more or less, horizontal spacing unit ("Unit") comprised of all of irregular Section 1 and the N/2 of Section 12, Township 25 South, Range 34 East, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells ("Wells"): the Green Eyeshade Fed Com #601H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 12 to a bottom hole location in the NE/4 NE/4 (Lot 1) of Section 1; the Green Eyeshade Fed Com #602H well, and the Green Eyeshade Fed Com #702H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 12 to a bottom hole location in the NW/4 NE/4 (Lot 2) of Section 1; the Green Eyeshade Fed Com #603H well, the Green Eyeshade Fed Com #703H well, to be drilled from a surface location in the NE/4 SW/4 (Unit K) of Section 12 to a bottom hole location in the NE/4 NW/4 (Lot 3) of Section 1; and the Green Eyeshade Fed Com Fed Com #704H well, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 12 to a bottom hole location in the NW/4 NW/4 (Lot 4) of Section 1. The completed interval for the proposed Green Eyeshade Fed Com #601H well will be within 330' of the quarter-quarter line separating the E/2 E/2 from the W/2 E/2 of Section 1 and the W/2 NE/4 from the E/2 NE/4 of Section 12; the completed interval for the proposed Green Eyeshade Fed Com #602H well will be within 330' of the quarter-quarter line separating the E/2 W/2 from the W/2 E/2 of Section 1 and the W/2 NE/4 from the E/2 NW/4 of Section 12, and the completed interval for the proposed Green Eyeshade Fed Com #603H well will be within 330' of the quarter-quarter line separating the E/2 W/2 from the W/2 W/2 of Section 1 and the W/2 NW/4 from the E/2 NW/4 of Section 12 to allow inclusion of this acreage into a standard horizontal well 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 13.6 miles West of Jal, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico.

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**



Adrienne Sandoval, Chair