

SPECIAL DOCKET: OIL CONSERVATION DIVISION HEARINGS - Friday, September 24, 2021

8:30 a.m.

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

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Applications for hearing shall be filed at least thirty (30) days in advance of the hearing date. A party who intends to present evidence shall file a pre-hearing statement no later than the close of business on the Thursday prior to the hearing date and serve a copy on the other parties, if any. The hearing examiner will dismiss the application if the applicant does not file and serve a pre-hearing statement as specified above.

NOTICE: The hearing examiner may call the following cases in any order in his or her discretion.

	Case Number	Description
1.	20840	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Shake-N-Bake 34 SB Fed Com 10H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.
2.	20841	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Shake-N-Bake 34 WXY Fed Com 1H, Shake-N-Bake 34 WXY Fed Com 2H, Shake-N-Bake 34 WXY Fed Com 3H, Shake-N-Bake 34 WD Fed Com 4H, Shake-N-Bake 34 WD Fed Com 5H, Shake-N-Bake 34 WD Fed Com 6H wells, to be horizontally drilled. The producing area for these wells will be unorthodox. 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 Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.
3.	20842	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Shake-N-Bake 34 SB Fed Com 11H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.

Examiner Hearing - Friday, September 24, 2021

Docket No. 35-21

Page 2 of 4

4.	20843	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Cerberus 34 WXY Fed Com 1H, Cerberus 34 WXY Fed Com 2H, Cerberus 34 WXY Fed Com 3H, Cerberus 34 WD Fed Com 4H, Cerberus 34 WD Fed Com 5H, Cerberus 34 WD Fed Com 6H wells, to be horizontally drilled. The producing area for these wells will be unorthodox. 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 Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.
5.	20844	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Cerberus 34 SB Fed Com 10H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.
6.	20845	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Trojan Horse 35 WB Fed Com 1H; Trojan Horse 35 WXY Fed Com 2H; Trojan Horse 35 WB Fed Com 3H; Trojan Horse 35 WD Fed Com 7H; Trojan Horse 35 WXY Fed Com 4H; Trojan Horse 35 WD Fed Com 5H; Trojan Horse 35 WD Fed Com 6H wells, to be horizontally drilled. The producing area for these wells will be unorthodox. 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 Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 4 miles North of Loving, New Mexico.
7.	20846	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Trojan Horse 35 SB Fed Com 10H well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 4 miles North of Loving, New Mexico.
8.	20847	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Section 35, Township 22 South, Range 28 East, and the E/2 W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Trojan Horse 35 SB Fed Com 11H well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 4 miles North of Loving, New Mexico.
9.	20848	Application of Marathon Oil Permian LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a

		<p>Bone Spring horizontal spacing unit underlying the E/2 E/2 of Sections 34 and 27, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Cerberus 34 SB Fed Com 11H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 5 miles North of Loving, New Mexico.</p>
10.	21383	<p>(formerly Case 20717): Amended Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation [Culebra Bluff; Bone Spring, South (Pool Code 15011)] underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 27 & 34, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Warrior Fed Com #123H to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. • Warrior Fed Com #124H to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. • Warrior Fed Com #137H to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit P) of Section 34. <p>The completed interval of the Warrior Fed Com #137H well will be within 330 feet of the W/2 E/2 of Sections 27 and 34 to allow inclusion of this acreage in a standard horizontal well spacing unit. 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 9 miles east of Carlsbad, New Mexico.</p>
11.	21384	<p>(formerly Case 20107): Second Amended Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation [Purple Sage Wolfcamp Gas Pool (Pool Code 98220)] underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 27 & 34, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Warrior Fed Com #203H to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. • Warrior Fed Com #204H to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. <p>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 9 miles east of Carlsbad, New Mexico.</p>
12.	21385	<p>(formerly Case 20717): Amended Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation [Culebra Bluff; Bone Spring, South (Pool Code 15011)] underlying a standard 640-acre horizontal spacing unit comprised of the W/2 of Sections 27 & 34, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Warrior Fed Com #121H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 34. • Warrior Fed Com #122H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34. • Warrior Fed Com #135H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 34. • Warrior Fed Com #136H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34. <p>The completed interval of the Warrior Fed Com 135H well will be within 330 feet of the E/2 W/2 of Sections 27 and 34 to allow inclusion of this acreage in a standard horizontal well spacing unit. 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</p>

		of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 9 miles east of Carlsbad, New Mexico.
13.	21386	<p>(formerly Case 20106): Second Amended Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation [Purple Sage Wolfcamp Gas Pool (Pool Code 98220)] underlying a standard 640-acre horizontal spacing unit comprised of the W/2 of Sections 27 & 34, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Warrior Fed Com #201H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 34. • Warrior Fed Com #202H to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34. <p>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 9 miles east of Carlsbad, New Mexico.</p>
14.	21436	<p>Application of Matador Production Company for compulsory pooling, Eddy 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 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Gladiator Fed Com #121H well and Gladiator Fed Com #135H well to be horizontally drilled from a common surface location in the NW/4 NW/4 (Unit D) of Section 35, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 2; and • Gladiator Fed Com #122H well to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 35, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 2. The completed interval for the proposed Gladiator Fed Com #135H well will be within 330' of the quarter-quarter line separating the W/2 W/2 and the E/2 W/2 of Sections 35 and 2 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit. 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 1 mile from Loving, New Mexico.
15.	21437	<p>Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 35, Township 22 South, Range 28 East, and the W/2 of Section 2, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells:</p> <ul style="list-style-type: none"> • Gladiator Fed Com #201H well to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 35, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 2; and • Gladiator Fed Com #202H well to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 35, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 2. <p>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 1 mile from Loving, New Mexico.</p>