SPECIAL DOCKET: OIL CONSERVATION DIVISION HEARINGS - Friday, August 6, 2021

8:30 a.m.

Persons may view and participate in the hearings through the following link: <u>https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7babc8ff844ff2c79647ea165b9a2f86</u> Event number: 146 188 1355 Event password: x39DEZ9spsp

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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.	21926	Application of Spur Energy Partners, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 7, Township 17 South, Range 33 East, Lea County, New Mexico ("Unit"). The horizontal spacing unit will be dedicated to following wells: • Pebble 7 State Com 22H and Pebble 7 State Com 62H, which will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 7 to bottom hole locations in the NE/4NE/4 (Unit A) of Section 7; and • Pebble 7 State Com 11H, which will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) of Section 7 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 7 to a bottom hole location in the SE/4NE/4 (Unit H) of Section 7 (collectively the "Wells"). The completed intervals of the Wells are orthodox. The completed interval for the Pebble 7 State Com 11H will be within 330' of the line separating the N/2N/2 and S/2N/2 of Section 7 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 three (3) miles east of Maljamar, New Mexico.
2.	21927	 Application of Spur Energy Partners, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 7, Township 17 South, Range 33 East, Lea County, New Mexico ("Unit"). The horizontal spacing unit will be dedicated to following wells: Pebble 7 State Com 20H and Pebble 7 State Com 60H, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 7 to bottom hole locations in the SE/4SE/4 (Unit P) of Section 7; Pebble 7 State Com 10H, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 7 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 7 to a bottom hole location in the NE/4SE/4 (Unit I) of Section 7; and Pebble 7 State Com 21H and Pebble 7 State Com 61H, which will be horizontally drilled from a surface location in the NW/4SW/4 (Unit L) of Section 7 to bottom hole locations in the NE/4SE/4 (Unit I) of Section 7; and Pebble 7 State Com 21H and Pebble 7 State Com 61H, which will be horizontally drilled from a surface location in the NW/4SW/4 (Unit L) of Section 7 to bottom hole locations in the NE/4SE/4 (Unit I) of Section 7 (collectively the "Wells"). The completed intervals of the Pebble 7 State Com 21H and Pebble 7 State Com 61H will be unorthodox. The completed intervals of the remaining Wells are orthodox. The completed intervals of the remaining Wells are orthodox. The completed intervals of the separating the N/2S/2 and S/2S/2 of Section 7 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit.

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		Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 three (3) miles east of Maljamar, New Mexico.
3.	21928	 Application of Spur Energy Partners, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 13, Township 17 South, Range 33 East, Lea County, New Mexico ("Unit"). The horizontal spacing unit will be dedicated to following wells: Bethpage 13 State Com 62H and Bethpage 13 State Com 22H, which will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 13 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 13; and Bethpage 13 State Com 11H, which will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 13 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 13 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 13 to a bottom hole location in the SW/4NW/4 (Unit E) of Section 13 (collectively the "Wells"). The completed intervals of the wells will be orthodox. The completed interval for the Bethpage 13 State Com 11H will be within 330' of the line separating the N/2N/2 and S/2N/2 of Section 13 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 8 miles east of Maljamar, New Mexico.
4.	21929	 Application of Spur Energy Partners, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 13, Township 17 South, Range 33 East, Lea County, New Mexico ("Unit"). The horizontal spacing unit will be dedicated to following wells: Bethpage 13 State Com 20H and Bethpage 13 State Com 60H, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 13 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 13; Bethpage 13 State Com 10H, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 13; to a bottom hole location in the SE/4SE/4 (Unit P) of Section 13 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 13 to a bottom hole location in the NW/4SW/4 (Unit L) of Section 13; and Bethpage 13 State Com 21H and Bethpage 13 State Com 61H, which will be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4SW/4 (Unit L) of Section 13 (collectively the "Wells"). The completed intervals of the Bethpage 13 State Com 21H and Bethpage 13 State Com 61H will be unorthodox. The completed intervals for remaining Wells are orthodox. The completed intervals for the Bethpage into a standard 320-acre horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 8 miles east of Maljamar, New Mexico.
5.	21931	 Application of Spur Energy Partners, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Yeso formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 16, Township 17 South, Range 32 East, Lea County, New Mexico ("Unit"). The horizontal spacing unit will be dedicated to following wells: JG State Com 22H and JG State Com 61H, which will be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 16 to bottom hole locations in the NW/4SW/4 (Unit L) of Section 16; and JG State Com 23H, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 16 to a bottom hole location in the SW/4SW/4 (Unit M) of Section 16 (collectively the "Wells"). The completed intervals of the Wells will be orthodox. The completed interval of the JG State Com 61H will be within 330' of the line separating the N/2S/2 and S/2S/2 of Section 16 to allow inclusion of this acreage into a standard 320-acre horizontal spacing unit.

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		Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Spur Energy Partners, LLC 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 one (1) mile south of Maljamar, New Mexico.
6.	21997	 Application of ConocoPhillips Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Yeso formation, underlying a standard 640-acre horizontal spacing unit comprised of the S/2 of Section 12, Township 17 South, Range 32 East, and the S/2 of Section 7, Township 17 South, Range 33 East NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following wells: The Caprock Yeso Area CYA W State Com #121H well and the Caprock Yeso Area CYA W State Com #201H well, both are to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 7, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 12; The Caprock Yeso Area CYA W State Com #101H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit L) of Section 12; and The Caprock Yeso Area CYA W State Com #203H well and the Caprock Yeso Area CYA W State Com #123H well, both are to be horizontally drilled from a surface location in the NE/4 SW/4 (Unit L) of Section 12; and The Caprock Yeso Area CYA W State Com #203H well and the Caprock Yeso Area CYA W State Com #123H well, both are to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 7, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 7, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 7, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 7, to a bottom hole location in the NW/2 S/2 of Sections 7 and 12 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 5 miles e
7.	21998	 Application of ConocoPhillips Company for compulsory pooling, Lea 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 S/2 of Section 13, Township 17 South, Range 33 East, and the SW/4 of Section 18, Township 17 South, Range 34 East NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following wells: The Caprock Yeso Area CYA E State Com #122H well and the Caprock Yeso Area CYA E State Com #202H well, both are to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13, to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 18; The Caprock Yeso Area CYA E State Com #102H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit K) of Section 18; and The Caprock Yeso Area CYA E State Com #204H well and the Caprock Yeso Area CYA E State Com #124H well, both are to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit K) of Section 18; and The Caprock Yeso Area CYA E State Com #204H well and the Caprock Yeso Area CYA E State Com #124H well, both are to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 13, to bottom hole locations in the NE/4 SW/4 (Unit K) of Section 18. The completed interval of the Caprock Yeso Area CYA E State Com #102H well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 of Section 13 and the N/2 SW/4 from the S/2 SW/4 of Section 18 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. Sa
8.	21999	 Application of ConocoPhillips Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Yeso formation, underlying a standard 640-acre horizontal spacing unit comprised of the S/2 of Sections 16 and 17, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following wells: The Sparkys Fed Com #23H well and the Sparkys Fed Com #61H well, both are to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 16, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 17; The Sparkys Fed Com #22H well to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 16, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 17.

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		The completed interval of the Sparkys Fed Com #61H well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 of Sections 16 and 17 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 5 miles east of Maljamar, New Mexico.
9.	22027	 Application of ConocoPhillips Company for compulsory pooling, Lea 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 S/2 of Section 13, Township 17 South, Range 33 East, and the SW/4 of Section 18, Township 17 South, Range 34 East NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following wells: The Caprock Yeso Area CYA E State Com #106H well to be horizontally drilled from a surface location in the NW/4 (Unit D) of Section 13, to a bottom hole location in the SE/4 NW/4 (Unit F) of Section 18; and The Caprock Yeso Area CYA E State Com #206H well and the Caprock Yeso Area CYA E State Com #108H well, both are to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, to a bottom hole location in the NZ/2 NV/4 IN the Caprock Yeso Area CYA E State Com #106H 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 NW/4 from the S/2 NW/4 of Section 18 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 5 miles east of Maljamar, New Mexico.
10.	22028	Application of ConocoPhillips Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Yeso formation, underlying a standard 160-acre horizontal spacing unit comprised of the S/2 N/2 of Section 7, Township 17 South, Range 33 East NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the initial wells: (1) the Caprock Yeso Area CYA W State Com #123H well, and (2) the Caprock Yeso Area CYA W State Com #205H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 7, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 7. The completed interval for these wells will comply with statewide setbacks for oil wells. 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 5 miles east of Maljamar, New Mexico.