DOCKET: OIL CONSERVATION DIVISION HEARINGS - Thursday, February 1, 2024

8:15 a.m. – Pecos Hall, 1220 South St. Francis, Santa Fe, New Mexico 87505 and via Webex (login information below)

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m2e90550d0912d7bebd48d0047828ead3

Webinar number: 2497 241 4606

Join by video system:

24972414606@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll

Access code: 2497 241 4606

Panelist password:

PpcfTP3fq46 (77238733 from phones and video systems)

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.	23841 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2E/2 of Sections 23 and 26, and the NE/NE of Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Gold State Com 704H and Gold State Com 804H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
2.	23842 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2E/2 of Sections 23 and 26, and the NW/NE of Section 35, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Gold State Com 703H and Gold

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 2 of 21

		State Com 803H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
3.	23843 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 280-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2/SW of Section 23, the E/2W/2 of Section 26, and the NE/NW of Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Gold State Com 502H and Gold State Com 602H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
4.	23844 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 280-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2/SW of Section 23, the E/2W/2 of Section 26, and the NE/NW of Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Gold State Com 702H and Gold State Com 802H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
5.	23845 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 324.02-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2W/2 of Section 35, Township 18 South, Range 34 East, and Lot 3, the SE/NW, and E/2SW of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 702H and Parallel State Com 802H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
6.	23846 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 324.02-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2W/2 of Section 35, Township 18 South, Range 34 East, and Lot 4, the SW/NW, and W/2SW of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 701H and Parallel State Com 801H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 3 of 21

		Page 3 01 21
7.	23847 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 324.02-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2W/2 of Section 35, Township 18 South, Range 34 East, and Lot 3, the SE/NW, and E/2SW of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 302H and Parallel State Com 502H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M. Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
8.	23848 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 324.02-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2W/2 of Section 35, Township 18 South, Range 34 East, and Lot 4, the SW/NW, and W/2SW of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 301H and Parallel State Com 501H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
9.	23849 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 323.92-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2E/2 of Section 35, Township 18 South, Range 34 East, and Lot 2, the SW/NE, and W/2SE of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 303H and Parallel State Com 503H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
10.	23850 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 323.81-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2E/2 of Section 35, Township 18 South, Range 34 East, and Lot 1, the SE/NE, and E/2SE of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 704H and Parallel State Com 804H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
11.	23851 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 323.81-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2E/2 of Section 35, Township 18 South, Range 34 East, and Lot 1, the SE/NE, and E/2SE of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 304H and Parallel State Com 504H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 4 of 21

		Ü
		spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
12.	23852 [Status Conference]	Application of Franklin Mountain Energy 3, LLC for compulsory pooling and notice of overlapping unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 323.92-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2E/2 of Section 35, Township 18 South, Range 34 East, and Lot 2, the SW/NE, and W/2SE of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Parallel State Com 703H and Parallel State Com 803H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The spacing unit proposed in this application will partially overlap a spacing unit in Section 35, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. 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 Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
13.	23980 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 E2 of Sections 35, Township 18 South, Range 34 East, and Lots 1 and 2, the S2NE4, and SE4 (E2 equivalent) of irregular Section 2, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells: * Crow State Com 401H and the Crow State Com 501H to be horizontally drilled from a surface location in the NE4 of Section 35, with first take points in the NW4NE4 (Unit B) of Section 35 and last take points in the SW4SE4 (Unit O) of Section 2, and * Crow State Com 402H and the Crow State Com 502H to be horizontally drilled from a surface location in the NE4 of Section 35, with first take points in the NE4NE4 (Unit A) of Section 35 and last take points in the SE4SE4 (Unit P) of Section 2. The completed interval of the Crow State Com 402H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion in the proposed horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and 401charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
14.	23981 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 E2 of Sections 35, Township 18 South, Range 34 East, and Lots 1 and 2, the S2NE4, and SE4 (E2 equivalent) of irregular Section 2, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells: * Crow State Com 701H to be horizontally drilled from a surface location in the NE4 of Section 35, with a first take point in the NW4NE4 (Unit B) of Section 35 and a last take point in the SW4SE4 (Unit O) of Section 2, and * Crow State Com 702H to be horizontally drilled from a surface location in the NE4 of Section 35, with a first take point in the NE4NE4 (Unit A) of Section 35 and a last take point in the SE4SE4 (Unit P) of Section 2. The completed interval of the Crow State Com 701H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion in the proposed horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.
15.	23982 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 560-acre, more or less, horizontal spacing unit comprised of the S2NW4 and SW4 of Sections 35, Township 18 South, Range 34 East, and

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 5 of 21

Lots 3 and 4, the S2NW4, and SW4 (W2 equivalent) of irregular Section 2, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells:

• Moaning Pheasant State Com 401H and the Moaning Pheasant State Com 501H to be horizontally drilled from a surface location in the NW4 of Section 35, with first take points in the SE4NW4 (Unit F) of Section 35 and last take points in the SE4SW4 (Unit N) of Section 2, and

• Moaning Pheasant State Com 402H and the Moaning Pheasant State Com 502H to be horizontally drilled from a surface location in the NW4 of Section 35, with first take points in the SW4NW4 (Unit E) of Section 35 and last take points in the SW4SW4 (Unit M) of Section 2. The completed interval of the Moaning Pheasant State Com 402H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion in the proposed horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.

16. 23983 [Status Conference]

Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 560-acre, more or less, horizontal spacing unit comprised of the S2NW4 and SW4 of Sections 35, Township 18 South, Range 34 East, and Lots 3 and 4, the S2NW4, and SW4 (W2 equivalent) of irregular Section 2, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the following proposed wells:

- Moaning Pheasant State Com 701H to be horizontally drilled from a surface location in the NW4 of Section 35, with a first take point in the SE4NW4 (Unit F) of Section 35 and a last take point in the SE4SW4 (Unit N) of Section 2, and
- Moaning Pheasant State Com 702H to be horizontally drilled from a surface location in the NW4 of Section 35, with a first take point in the SW4NW4 (Unit E) of Section 35 and a last take point in the SW4SW4 (Unit M) of Section 2.

The completed interval of the Moaning Pheasant State Com 701H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to allow inclusion in the proposed horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.

17. 23944 [Status Conference]

Application of Pride Energy Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (AVALON; BONE SPRING, EAST [3713]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), including proximity tracts, comprised of the N/2 of Sections 29 and 30, all in Township 20 South, Range 28 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile wells in the HSU: (1) Burton Flat 29-30 Federal State Com #101H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; (2) Burton Flat 29-30 Federal State Com #102H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29. T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E; (3) Burton Flat 29-30 Federal State Com #201H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; (4) Burton Flat 29-30 Federal State Com #202H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E; and (5) Burton Flat 29-30 Federal State Com #203H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the W2 W2 NW/4 of Section 30, T20S-R28E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the wells and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles North of Carlsbad, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 6 of 21

18.	23945 [Status Conference]	Application of Pride Energy Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Wolfcamp formation (WC BURTON FLAT UPPER WOLFCAMP, EAST [98315]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the N/2 of Sections 29 and 30, all in Township 20 South, Range 28 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile wells in the HSU: (1) Burton Flat 29-30 Federal State Com #401H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the NW/4 NW/4 of Section 30, T20S-R28E; and (2) Burton Flat 29-30 Federal State Com #402H well, to be horizontally drilled from a surface hole location in the E/2 NE/4 of Section 29, T20S-R28E, to a bottom hole location in the SW/4 NW/4 of Section 30, T20S-R28E. Applicant will seek administrative approval of a non-standard spacing unit. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the wells and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles North of Carlsbad, New Mexico.
19.	24074 [Status Conference]	Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.
20.	24075 [Status Conference]	Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.
21.	24076 [Status Conference]	Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the to the following proposed wells: • Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 (Unit D) of Section 30, and • Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 (Unit E) of Section 30. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 7 of 21

22.	24101 [Status Conference]	Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 111H and the Wayne Gaylord 2930 Fed Com 121H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La
23.	24102 [Status Conference]	Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 122H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.
24.	23987 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 400-acre, more or less, horizontal spacing unit comprised of the E2SW4 of Section 23 and the E2W2 of Sections 26 and 35, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Vulture State Com 402H to be horizontally drilled from a surface location in the SE4 of section 23, with a first take point in the NE4SW4 (Unit K) of section 23 and a last take point in the SE4SW4 (Unit N) of Section 35. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
25.	23988 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 400-acre, more or less, horizontal spacing unit comprised of the E2SW4 of Section 23 and the E2W2 of Sections 26 and 35, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Vulture State Com 702H to be horizontally drilled from a surface location in the SE4 of section 23, with a first take point in the NE4SW4 (Unit K) of section 23 and a last take point in the SE4SW4 (Unit N) of Section 35. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 8 of 21

		rage o oi zi
26.	24032 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 320-acre, more or less, horizontal spacing unit comprised of the W2E2 of Sections 23 and 26, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Nightjar State Com 401H to be horizontally drilled from a surface location in the SE4 of section 26, with a first take point in the SW4SE4 (Unit O) of section 26 and a last take point in the NW4NE4 (Unit B) of Section 23. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
27.	24033 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea 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 320-acre, more or less, horizontal spacing unit comprised of the E2E2 of Sections 23 and 26, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Nightjar State Com 402H to be horizontally drilled from a surface location in the SE4 of section 26, with a first take point in the SE4SE4 (Unit P) of section 26 and a last take point in the NE4NE4 (Unit A) of Section 23. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
28.	24034 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W2E2 of Sections 23 and 26, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Nightjar State Com 701H to be horizontally drilled from a surface location in the SE4 of section 26, with a first take point in the SW4SE4 (Unit O) of section 26 and a last take point in the NW4NE4 (Unit B) of Section 23. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
29.	24035 [Status Conference]	Application of COG Operating LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E2E2 of Sections 23 and 26, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Nightjar State Com 702H to be horizontally drilled from a surface location in the SE4 of section 26, with a first take point in the SE4SE4 (Unit P) of section 26 and a last take point in the NE4NE4 (Unit A) of Section 23. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
30.	24043 [Status Conference]	Application of E.G.L. Resources, Inc. for compulsory pooling and approval of an overlapping well unit, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a proximity tract horizontal spacing unit comprised of the W/2 of Section 27 and the W/2 of Section 34, Township 18 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Skyfall 27-34 Fed. Com. Well Nos. 001H, 002H, 101H, 102H, 201H, and 202H, with first take points in the NW/4NW/4 of Section 27 and last take points in the SW/4SW/4 of Section 34, and (b) the Skyfall 27-34 Fed. Com. Well Nos. 003H, 103H, and 203H, with first take points in the NE/4NW/4 of Section 27 and last take points in the SE/4SW/4 of Section 34. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 9 of 21

		wells. Applicant also requests approval of an overlapping well unit regarding the Caprock St. Fed. Com. Well No. 1H located in the E/2W/2 of Section 27. The unit is located approximately 16 miles southeast of Maljamar, New Mexico.
31.	24044 [Status Conference]	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a proximity tract horizontal spacing unit comprised of the W/2 of Section 27 and the W/2 of Section 34, Township 18 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Skyfall 27-34 Fed. Com. Well Nos. 601H, 602H, and 801H, with first take points in the NW/4NW/4 of Section 27 and last take points in the SW/4SW/4 of Section 34, and (b) the Skyfall 27-34 Fed. Com. Well Nos. 603H and 802H, with first take points in the NE/4NW/4 of Section 27 and last take points in the SE/4SW/4 of Section 34. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 16 miles southeast of Maljamar, New Mexico.
32.	24124 [Status Conference]	Application of Permian Oilfield Partners, LLC for approval of a salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the Vital SWD Well #1 well at a surface location 335' from the South line and 258' from the West line, Unit M, Section 10, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a produced water disposal well. Applicant seeks authority to inject produced water into the Silurian-Devonian formation at a depth of approximately 14,800 feet to 15,842 feet. Applicant further requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 23 miles WSW of Monument, New Mexico.
33.	24125 [Status Conference]	Application of Permian Oilfield Partners, LLC for approval of a salt water disposal well in Lea County, New Mexico. Applicant seeks an order approving disposal into the Silurian-Devonian formation through the Imperative SWD Well #1 well at a surface location 795' from the North line and 2600' from the East line, Unit C, Section 11, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico for the purpose of operating a produced water disposal well. Applicant seeks authority to inject produced water into the Silurian-Devonian formation at a depth of approximately 14,796 feet to 15,868 feet. Applicant further requests that the Division approve a maximum daily injection rate for the well of 50,000 bbls per day. Said area is located approximately 22 miles WSW of Monument, New Mexico.
34.	24141 [Status Conference]	Application of Apache Corporation for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a non-standard 1280-acre horizontal well spacing unit in the Bone Spring formation underlying Sections 11 and 14, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico and (b) pooling all uncommitted interests in this acreage. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells to be drilled from shared surface locations in the S2S2 of Section 14: • Dustbowl 11-14 Fed Com 101H and Dustbowl 11-14 Fed Com 201H wells, with first take points in the SW4SW4 (Unit M) of Section 14 and last take points in the NW4NW4 (Unit D) of Section 11; • Dustbowl 11-14 Fed Com 102H and Dustbowl 11-14 Fed Com 202H wells, with first take points in the SE4SW4 (Unit N) of Section 14 and last take points in the NE4NW4 (Unit C) of Section 11; • Dustbowl 11-14 Fed Com 103H and Dustbowl 11-14 Fed Com 203H wells, with first take points in the SW4SE4 (Unit O) of Section 14 and last take points in the NW4NE4 (Unit B) of Section 11; and • Dustbowl 11-14 Fed Com 104H and Dustbowl 11-14 Fed Com 204H wells, with first take points in the SE4SE4 (Unit P) of Section 14 and last take points in the NE4NE4 (Unit A) of Section 11. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 33 miles west of Hobbs, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 10 of 21

		Page 10 of 21
35.	24152 [Status Conference]	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a proximity tract horizontal spacing unit comprised of the E/2 of Section 27 and the E/2 of Section 34, Township 18 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Skyfall 27-34 Fed. Com. Well Nos. 004H, 104H, and 204H, with surface locations in the NE/4NE/4 of Section 27 and last take points in the SW/4SE/4 of Section 34, and (b) the Skyfall 27-34 Fed. Com. Well Nos. 005H, 006H, 105H, 106H, 205H, and 206H, with surface locations in the NE/4NE/4 of Section 27 and last take points in the SE/4SE/4 of Section 34. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 16 miles southeast of Maljamar, New Mexico.
36.	24153 [Status Conference]	Application of E.G.L. Resources, Inc. for compulsory pooling, Lea County, New Mexico. E.G.L. Resources, Inc. seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a proximity tract horizontal spacing unit comprised of the E/2 of Section 27 and the E/2 of Section 34, Township 18 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Skyfall 27-34 Fed. Com. Well Nos. 604H and 803H, with surface locations in the NE/4NE/4 of Section 27 and last take points in the SW/4SE/4 of Section 34, and (b) the Skyfall 27-34 Fed. Com. Well Nos. 605H, 606H, and 804H to depths sufficient to test the Wolfcamp formation, with surface locations in the NE/4NE/4 of Section 27 and last take points in the SE/4SE/4 of Section 34. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 16 miles southeast of Maljamar, New Mexico.
37.	24118 [Status Conference]	Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 205H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 305H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 655H, Margie 13 Fed Com 653H, Margie 13 Fed Com 655H, Margie 13 Fed Com
38.	24119 [Status Conference]	Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H wells to be horizontally drilled. The wells will be drilled at orthodox locations. 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 20 miles west-southwest of Monument, New Mexico.
39.	23551	Application of Nordstrand Engineering, Inc. to Remove Northern Pacific Oil & Gas, Inc. as Operator of Record for the Bull Moose 2 State Com #001H Well: Applicant Nordstrand Engineering, Inc. ("Nordstrand") seeks an order from the Division for unilateral change in operator from Northern Pacific Oil and Gas, Inc., OGRID No. 330352 ("Northern Pacific"), to

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 11 of 21

		Page 11 01 21
		Applicant, OGRID No. 230757, for the Bull Moose 2 State Com #001H well, API# 30-041-20935 ("Well"), located in the S/2 of Section 2, Township 8 South, Range 37 East, Roosevelt County, New Mexico. Nordstrand is the record title owner of State Oil and Gas Lease No. V0-8065-02, which has been cancelled. Northern Pacific is the operator of record. As operator of record, Northern Pacific is obligated to plug the Well, but is unavailable. Nordstrand intends to plug the Well. In the alternative, Applicant requests that the Division be authorized to plug the Well. The well is located approximately 6.5 miles northwest of Bledsoe, New Mexico.
40.	23823	Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Texas Standard Operating NM LLC seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a horizontal spacing unit comprised of the W/2SE/4 of Section 11, W/2E/2 of Section 14, and W/2NE/4 of Section 23, Township 17 South, Range 36 East, N.M.P.M. The unit will be dedicated to the Lap Dog State Well Nos. 1H and 2H, which have first take points in the SW/4NE/4 of Section 23 and last take points in the NW/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 8 miles south-southeast of Lovington, New Mexico.
41.	23824	Application of Texas Standard Operating NM LLC for compulsory pooling, Lea County, New Mexico. Texas Standard Operating NM LLC seeks an order pooling all uncommitted mineral interest owners in the Upper Penn Shale formation underlying a horizontal spacing unit comprised of the E/2SE/4 of Section 11, E/2E/2 of Section 14, and E/2NE/4 of Section 23, Township 17 South, Range 36 East, N.M.P.M. The unit will be dedicated to the Lap Dog State Well Nos. 3H and 4H, which have first take points in the SE/4NE/4 of Section 23 and last take points in the NE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 8 miles south-southeast of Lovington, New Mexico.
42.	23917	Application of OXY USA Inc. for Approval of an Overlapping 960-Acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order (a) approving an overlapping 960-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying Section 35 and the S/2 Section 26, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral owners in this acreage. This spacing unit will be initially dedicated to the following proposed wells: o Evil Olive 26 35 Fed Com 4H, to be drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 26 to a bottomhole location in the SE/4 SE/4 (Unit P) of Section 35; and
		of Section 26 to a bottomhole location in the SW/4 SW/4 (Unit M) of Section 35. This 960-acre non-standard horizontal well spacing unit will overlap an existing 240-acre standard horizontal well spacing unit comprised of the E/2 SE/4 of Section 26 and the E/2 E/2 of Section 35, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico, which is operated by COG Operating LLC and dedicated to the Tankless Federal Com #2H well (API: 30-015-44434) within the Livingston Ridge; Bone Spring (Pool Code 39350). Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, 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 approximately 20 miles northeast of Loving, New Mexico.
43.	23918	Application of OXY USA Inc. for Approval of a 960-Acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order (a) approving an overlapping 960-acre, more or less, non-standard horizontal well spacing unit in the Wolfcamp formation underlying Section 35 and the S/2 Section 26, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral owners in this acreage. This spacing unit will be initially dedicated to the following proposed wells:

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 12 of 21

		o Evil Olive 26 35 Fed Com 31H and 32H, to be drilled from ac common surface location in the NE/4 SW/4 (Unit K) of Section 26 to bottomhole locations in the SW/4 SW/4 (Unit M) of Section 35; o Evil Olive 26 35 Fed Com 33H, 34H, and 35H, to be drilled from a common surface location in the NW/4 SE/4 (Unit J) of Section 26 to bottomhole locations in the SE/4 SW/4 (Unit N) and the SW/4 SE/4 (Unit O) of Section 35; and o Evil Olive 26 35 Fed Com 36H and 37H, to be drilled from a common surface location in the NE/4 SE/4 (Unit I) of Section 26 to bottomhole locations in the SE/4 SE/4 (Unit P) of Section 35. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, 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 approximately 20 miles northeast of Loving, New Mexico.
44.	23959	Application of COG Operating LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Eddy County, New Mexico. COG Operating LLC ("Applicant") seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 1,440-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 and W/2 E/2 of Sections 3, 10, and 15, Township 26 South, Range 29 East, Eddy County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following wells ("Wells"): Rock Jelly Federal Com 703H well, which will be drilled from a surface hole location in Lot 3 (NE/4 NW/4 equivalent) of Section 3 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 15; and Rock Jelly Federal Com 704H well, which will be drilled from a surface hole location in Lot 3 (NE/4 NW/4 equivalent) of Section 3 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15. The completed intervals of the Wells will be orthodox. Applicant seeks approval of a non-standard 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 approximately 12 miles southeast of Malaga, New Mexico.
45.	23970	Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Explorer 15 State Com #006H, Explorer 15 State Com #007H, and Explorer 15 State Com #008H wells, to be horizontally drilled. The producing area for the wells are expected to be orthodox. The completed interval for the Explorer 15 State Com #007H well is 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 22 miles west of Hobbs, New Mexico.
46.	23971	Application of Avant Operating, LLC for compulsory pooling, 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 E/2 of Sections 15 and 22, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Explorer 15 State Com #301H, Explorer 15 State Com #302H, Explorer 15 State Com #303H, Explorer 15 State Com #602H wells, to be horizontally drilled. The producing area for the wells are expected to be orthodox. The completed intervals for the Explorer 15 State Com #302H and Explorer 15 State 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 22 miles west of Hobbs, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 13 of 21

		Fage 13 01 21
47.	24003	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 8 and 9, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Madera 9 State Com #121H and the Madera 9 State Com #131H wells ("Wells"), which will be drilled from surface hole locations in the SE/4 NE/4 (Unit H) of Section 9 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 8. The completed intervals of the Wells will be orthodox. 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 18 miles northeast of Carlsbad, New Mexico.
48.	24015	Application of Mewbourne Oil Company for Approval of a Non-Standard, Overlapping 640-acre Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a non-standard, overlapping 640-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the S2 of Section 1, Township 19 South, Range 30 East, and the S2 of Section 6, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the proposed Tin Man 1/6 Fed Com 616H and the Tin Man 1/6 Fed Com 618H wells to be horizontally drilled from a common surface location in the NW4 of Section 12, Township 19 South, Range 30 East, to bottom hole locations in the NE4SE4 (Unit I) and the SE4SE4 (Unit P) of Section 6, Township 19 South, Range 31 East. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 10 miles south of Loco Hills, New Mexico.
49.	24004	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 8 and 9, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Madera 9 State Com #122H and the Madera 9 State Com #132H wells ("Wells"), which will be drilled from surface hole locations in the SE/4 NE/4 (Unit H) of Section 9 to bottom hole locations in the SW/4 NW/4 (Unit E) of Section 8. The completed interval of the Wells will be orthodox. 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 18 miles northeast of Carlsbad, New Mexico.
50.	24063	Application of Strata Production Co. to Extend the Drilling Deadline Under Order No. R-22417, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order No. 22417 to extend by one year, through December 5, 2024, the time to commence drilling the Pajarito Fed Com 31 19 AAL #4H well, proposed to be drilled into the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the NE/4 NE/4 of Section 31, the E/2 E/2 of Section 30, and the E/2 SE/4 and SE/4 NE/4 of Section 19, Township 23 South, Range 31 East in Eddy County, New Mexico. The well and lands are located approximately 16 miles East of Loving, New Mexico.
51.	24081	Application of Marathon Oil Permian, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Willow Lake; Bone Spring Formation underlying a 800-acre, more or less, standard horizontal spacing unit comprised of the SW/4 Section 31, Township 24 South, Range 29 East, and the W/2 Section 6 and W/2 Section 7, located in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells: a) Twisted Tea BS Fed Com 551H, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, targeting the 3rd Bone Spring Formation, with the first takepoint being approximately 330 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 330 feet FWL, and approximately 100 feet FSL; b) Twisted Tea BS Fed Com 552H, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 1000 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 14 of 21

South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL; c) Twisted Tea BS Fed Com 301H, which is an oil well targeting the 1st Bone Spring Formation that will be horizontally drilled from a surface hole location SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 1000 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL; d) Twisted Tea BS Fed Com 553H, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 1650 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1650 feet FWL, and approximately 100 feet FSL; e) Twisted Tea BS Fed Com 554H, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 2310 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL: and f) Twisted Tea BS Fed Com 302H, which is an oil well targeting the 1st Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 2310 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7. Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL. The 551H Well, 552H Well, 301H Well, 553H Well, 554H Well, and 302H Well are referred to collectively herein as the "Wells." The completed interval of the Wells will be orthodox. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

52. 24085

Application of Marathon Oil Permian LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 800-acre, more or less, Bone Spring horizontal spacing unit underlying the SE/4 of Section 25, the E/2 of Section 36, Township 24 South, Range 28 East, and the E/2 of Section 1, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Cobra Cobretti BS Federal Com 301H, Cobra Cobretti BS Federal Com 302H, Cobra Cobretti BS Federal Com 551H, Cobra Cobretti BS Federal Com 552H, Cobra Cobretti BS Federal Com 553H, and Cobra Cobretti BS Federal Com 554H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for Cobra Cobretti BS Federal Com 302H and the Cobra Cobretti BS Federal Com 552H are each 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. Applicant seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed spacing unit will partially overlap the following existing Bone Spring spacing units:

- A 240-acre horizontal well spacing unit comprised of the E/2SE/4 of Section 25 and the E/2E/2 of Section 36, Township 24 South, Range 28 East, dedicated to Marathon's Southern Comfort 36 SB State #007H well (API 30-015-46201)
- A 240-acre horizontal well spacing unit comprised of the W/2SE/4 of Section 25 and the W/2E/2 of Section 36, Township 24 South, Range 28 East, dedicated to Marathon's Southern Comfort 36 SB State #004H well (API 30-015-46200)
- A 320-acre horizontal well spacing unit comprised of the E/2 of Section 1, Township 25 South, Range 28 East, dedicated to Marathon's Whistle Pig 1 SB Federal Com #005H well (API 30-015-45174).

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. Said area is located approximately 5 miles southeast of Malaga, New Mexico.

53. 24094

Application of Summit Oil & Gas, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 320-acre, more or less, Wolfcamp horizontal spacing unit underlying the W/2 of Section 11, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Hefner #1H, to be horizontally drilled. The well will be drilled at an orthodox location. The completed interval for the Hefner #1H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 15 of 21

		Fage 15 01 21
		the proposed spacing unit. 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 Summit as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 13 miles Northwest of Jal, New Mexico.
54.	24095	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the base of the Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the following proposed wells to be horizontally drilled from a common surface location in the NE/4 of Section 8, Township 24 South, Range 29 East: • CB SE 5 32 Federal Com 201H and CB SE 5 32 Federal Com 202H, with first take points in the SW/4 SE/4 (Unit O) of Section 5 and last take points in the NW/4NE/4 (Unit B) of Section 32; and • CB SE 5 32 Federal Com 203H and CB SE 5 32 Federal Com 251H, with first take points in the SE/4 SE/4 (Unit P) of Section 5 and last take points in the NE/4 NE/4 (Unit A) of Section 32. The completed interval of the proposed CB SE 5 32 Federal Com 202H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is leasted expressionate.
55.	24120	Application of Tascosa Energy Partners, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Tascosa Energy Partners, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22482 ("Order") until January 12, 2025. The Division entered the Order in Case No. 23047 on January 12, 2023. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 639.65-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 19, Township 20 South, Range 27 East and the N/2 of Section 24, Township 20 South, Range 26 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the LeMans 2419 State Com #301H, LeMans 2419 State Com #302H, and LeMans 2419 State Com #303H wells ("Wells"); and designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Wells until January 12, 2025. The Wells are located approximately 10 miles North-Northwest of Carlsbad, New Mexico.
56.	24121	Application of Spur Energy Partners LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the SW/4 of Section 27 and the SE/4 of Section 28, Township 19 South, Range 25 East, Eddy County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): the Live Oak 27-28 State Com 20H and Live Oak 27-28 State Com 50H wells, to be drilled from surface hole locations in the NW/4 SE/4 (Unit J) of Section 27 to bottom hole locations in the NW/4 SE/4 (Unit J) of Section 28; and Live Oak 27-28 State Com 21H, Live Oak 27-28 State Com 30H, and Live Oak 27-28 State Com 70H wells, to be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 27 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 28. The completed intervals of the wells will be orthodox. The completed interval of the Live Oak 27-28 State Com 30H well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Sections 27 and 28 to allow for the creation of a 320-acre 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 14.78 miles South and 4.26 miles West of Artesia, New Mexico.
57.	24121	Application of Spur Energy Partners LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the SW/4 of Section 27 and the SE/4 of Section 28, Township 19 South, Range 25 East, Eddy County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): the Live

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 16 of 21

		Oak 27-28 State Com 20H and Live Oak 27-28 State Com 50H wells, to be drilled from surface hole locations in the NW/4 SE/4 (Unit J) of Section 27 to bottom hole locations in the NW/4 SE/4 (Unit J) of Section 28; and Live Oak 27-28 State Com 21H, Live Oak 27-28 State Com 30H, and Live Oak 27-28 State Com 70H wells, to be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 27 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 28. The completed intervals of the wells will be orthodox. The completed interval of the Live Oak 27-28 State Com 30H well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Sections 27 and 28 to allow for the creation of a 320-acre 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 14.78 miles South and 4.26 miles West of Artesia, New Mexico.
58.	24126	Application of Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the SW/4 SE/4 and S/2 SW/4 of Section 25, and the S/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Morbucks 25-26 Federal Com 114H, Morbucks 25-26 Federal Com 124H, and Morbucks 25-26 Federal Com 134H wells ("Wells"), which will be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 25, to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 26. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Permian Resources Operating LLC as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 23 miles northeast of Carlsbad, New Mexico.
59.	24127	Application of Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Morbucks 25-26 Federal Com 113H, Morbucks 25-26 Federal Com 123H, and Morbucks 25-26 Federal Com 133H wells ("Wells"), which will be drilled from surface hole locations in the SW/4 SE/4 (Unit O) of Section 25, to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 26. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Permian Resources Operating LLC as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 23 miles northeast of Carlsbad, New Mexico.
60.	24128	Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 3 and 4, Township 23 South, Range 34 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): The Bobwhite 22304 4-3 Fed Com #1H well, Bobwhite 22304 4-3 Fed Com #2H well, and Bobwhite 22304 4-3 Fed Com #4H well, to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 4 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 3; and the Bobwhite 22304 4-3 Fed Com #3H well and Bobwhite 22304 4-3 Fed Com #5H well to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 4 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 3. The completed intervals of the Wells will be orthodox. The completed interval of the Bobwhite 22304 4-3 Fed Com #2H well will be located within 330'of the quarter-quarter section line separating the S/2 S/2 and N/2 S/2 of Sections 3 and 4 to allow for the creation of a 640-acre 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 20 miles west-southwest of Eunice, New Mexico.
61.	24129	Application of MRC Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 800-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 6, Township 22 South, Range 33 East, and the W/2 of Section 31 and the SW/4 of Section 30, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. Said

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 17 of 21

		unit will be initially dedicated to the proposed Paul Flowers State Com 205H well to be horizontally drilled from a surface hole location in the SW/4 of Section 6, with a first take point in Lot 7 (SW/4 SW/4 equivalent) of Section 6 and a last take point in Lot 3 (NW/4 SW/4 equivalent) of Section 30. The completed interval of the Paul Flowers State Com 205H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. 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 well. The subject area is located approximately 26 miles west of Eunice, New Mexico.
62.	24130	Application of Strata Production Co. 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 Delaware formation (FORTY NINER RIDGE; DELAWARE [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the S/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: Eeyore 27 28 HEL Fed Com 2H well, to be horizontally drilled from an approximate surface hole location 2240' FNL and 230' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 2240' FSL and 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 and lands are located approximately 13 miles East of Loving, New Mexico.
63.	24131	Application of Strata Production Co. 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 Delaware formation (FORTY NINER RIDGE; DELAWARE [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the N/2 S/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: Eeyore 27 28 ILL Fed Com 3H well, to be horizontally drilled from an approximate surface hole location 1720' FSL and 330' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 1720' FSL and 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. 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 and lands are located approximately 13 miles East of Loving, New Mexico.
64.	24132	Application of Mewbourne Oil Company for Approval of an Overlapping 1,260-acre Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving an overlapping 1,280-acre, more or less, non-standard horizontal well spacing unit in the Bone Spring formation underlying the Section 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the proposed Neato Bandito 23/24 Fed Com 511H, to be drilled horizontally from a surface location and first take point in the NW/4 NW/4 (Unit D) of Section 23 and a last take point in the NE/4 NE/4 (Unit A) of Section 24; Neato Bandito 23/24 Fed Com 513H, to be drilled horizontally from a surface location and first take point in the NW/4 NW/4 (Unit D) of Section 23 and a last take point in the SE/4 NE/4 (Unit H) of Section 24; Neato Bandito 23/24 Fed Com 515H, to be drilled horizontally from a surface location and first take point in the NW/4 SW/4 (Unit L) of Section 23 and a last take point in the NE/4 SE/4 (Unit I) of Section 24; and Neato Bandito 23/24 Fed Com 517H, to be drilled horizontally from a surface location and first take point in the NW/4 SW/4 (Unit L) of Section 23 and a last take point in the SE/4 SE/4 (Unit P) of Section 24. The proposed horizontal well spacing unit will overlap the following existing Bone Spring vertical spacing units:
		Mewbourne's Geronimo 23 Federal Com #002 (API: 30-015-35163); • 40-acre vertical well spacing unit comprised of the NW/4 SE/4 of Section 23 dedicated to

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 18 of 21

		Fage 10 01 21
		RAYBAW Operating, LLC's Shugart 23 Federal Com #001 (API: 30-015-30448); • 40-acre vertical well spacing unit comprised of the SW/4 SW/4 of Section 24 dedicated to Mewbourne's Geronimo 24 Federal Com #002 (API: 30-015-35016); and • 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 24 dedicated to Penroc Oil Corp's Gandhi Federal #001 (API: 30-015-26243).
		Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 10 miles southwest of Maljamar, New Mexico.
65.	24133	Application of MRC Delaware Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 310.82-acre, more or less, horizontal well spacing unit comprised of the N/2 NE/4, NE/4 NW/4 and Lot 1 of Section 18 (N/2 N/2 equivalent), Township 18 South, Range 29 East, and the N/2 N/2 of Section 13, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Stephanie 0712 Fed Com 131H well, to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 7, T18S-R29E, with a first take point in the NE/4 NE/4 (Unit A) of Section 18, T18S-R29E, and a last take point in the NW/4 NW/4 (Unit D) of Section 13, T18S-R28E. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 17 miles southeast of Artesia, New Mexico.
66.	24134	Application of MRC Delaware Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 310.68-acre, more or less, horizontal well spacing unit comprised of the S/2 SE/4, SE/4 SW/4 and Lot 4 of Section 7 (S/2 S/2 equivalent), Township 18 South, Range 29 East, and the S/2 S/2 of Section 12, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Stephanie 0712 Fed Com 134H well, to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 7, T18S-R29E, with a first take point in the same and a last take point in the SW/4 SW/4 (Unit M) of Section 12, T18S-R28E. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 17 miles southeast of Artesia, New Mexico.
67.	24135	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 235.99-acre standard horizontal spacing unit comprised of the W/2 W/2 of Section 27 and the NW/4 NW/4 and Lot 4 of irregular Section 34 (W/2 NW/4 equivalent), Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Boll Weevil 27-34 Fed Com 1H, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27, with a first take point in the same and a last take point in Lot 4 (SW/4 NW/4 equivalent) of irregular Section 34. 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 Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 17 miles southwest of Jal, New Mexico.
68.	24136	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 235.99-acre standard horizontal spacing unit comprised of the W/2 W/2 of Section 27 and the NW/4 NW/4 and Lot 4 of irregular Section 34 (W/2 NW/4 equivalent), Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Boll Weevil 27-34 Fed Com 2H, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27, with a first take point in the same and a last take point in Lot 4 (SW/4 NW/4 equivalent) of irregular Section 34. 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 Applicant as

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 19 of 21

		rage 19 01 21
		operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 17 miles southwest of Jal, New Mexico.
69.	24137	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 235.93-acre standard horizontal spacing unit comprised of the E/2 W/2 of Section 27 and the NE/4 NW/4 and Lot 3 of irregular Section 34 (E/2 NW/4 equivalent), Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Boll Weevil 27-34 Fed Com 3H, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 27, with a first take point in the same and a last take point in Lot 3 (SE/4 NW/4 equivalent) of irregular Section 34. 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 Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 17 miles southwest of Jal, New Mexico.
70.	24138	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 235.93-acre standard horizontal spacing unit comprised of the E/2 W/2 of Section 27 and the NE/4 NW/4 and Lot 3 of irregular Section 34 (E/2 NW/4 equivalent), Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Boll Weevil 27-34 Fed Com 4H, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 27, with a first take point in the same and a last take point in Lot 3 (SE/4 NW/4 equivalent) of irregular Section 34. 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 Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 17 miles southwest of Jal, New Mexico.
71.	24139	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a 235.87-acre standard horizontal spacing unit comprised of the W/2 E/2 of Section 27 and the NW/4 NE/4 and Lot 2 of irregular Section 34 (W/2 NE/4 equivalent), Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Boll Weevil 27-34 Fed Com 5H, Boll Weevil 27-34 Fed Com 6H, and Boll Weevil 27-34 Fed Com 10H, each to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 27, with a first take point in the same and a last take point in Lot 2 (SW/4 NE/4 equivalent) of irregular Section 34. 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 Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 17 miles southwest of Jal, New Mexico.
72.	24140	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of Section 9 and Section 8, Township 22 South, Range 27 East, NMPM. Applicant proposes to drill the following wells to test the Bone Spring formation: (a) The Sandlot 9/8 Fee Well No. 554H, with a first take point in the SE/4NE/4 of Section 9 and a last take point in the NE/4SE/4 of Section 9 and a last take point in the NE/4SE/4 of Section 9 and a last take point in the NW/4SW/4 of Section 8. Applicant seeks to dedicate all of Section 9 and all of Section 8 to the wells to form a 1280 acre non-standard oil spacing and proration unit in the Bone Spring formation. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.
73.	24147	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Mockingbird 16/17 Fed. Com. Well No. 523H, with

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 20 of 21

		Page 20 01 21
		a first take point in the SE/4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well.
74.	24146	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of N/2N/2 of Section 16 and the N/2NE/4 of Section 17, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Mockingbird 16/17 Fed. Com. Well No. 521H, with a first take point in the NE/4NE/4 of Section 16 and a last take point in the NW/4NE/4 of Section 17. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well.
75.	24148	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of N/2S/2 of Section 16 and the N/2SE/4 of Section 17, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Mockingbird 16/17 Fed. Com. Well No. 526H, with a first take point in the NE/4SE/4 of Section 16 and a last take point in the NW/4SE/4 of Section 17. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well. The unit is located approximately 9 miles southwest of Loco Hills, New Mexico.
76.	24149	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of S/2S/2 of Section 16 and the S/2SE/4 of Section 17, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Mockingbird 16/17 Fed. Com. Well No. 528H, with a first take point in the SE/4SE/4 of Section 16 and a last take point in the SW/4SE/4 of Section 17. Also to be considered will be the cost of drilling, completing, testing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the well. The unit is located approximately 9 miles southwest of Loco Hills, New Mexico.
77.	24150	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 standard 640-acre, more or less, Bone Spring horizontal spacing unit underlying S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Magellan BS Fee 501H and Magellan BS Fee 502H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed interval for the Magellan BS Fee 501H well is 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 Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 0.5 miles south of Carlsbad, Carlsbad New Mexico.
78.	24151	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 standard 640-acre, more or less, Wolfcamp horizontal spacing unit underlying S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Magellan WC Fee 701H, Magellan WC Fee 702H, Magellan WC Fee 801H and Magellan WC Fee 802H wells to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 0.5 miles south Carlsbad, New Mexico.

Examiner Hearing - Thursday, February 1, 2024 Docket No. 03-24 Page 21 of 21

79. 23872 Application of Spur Energy Partners LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 10, Township 18 South, Range 27 East, Eddy County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): the Red Skies 10 Federal Com 10H and Red Skies 10 Federal Com 50H wells, to be drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 11 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 10; and the Red Skies 10 Federal Com 11H, Red Skies 10 Federal Com 51H, and Red Skies 10 Federal Com 12H wells, to be drilled from surface hole locations in the SW/4 NW/4 (Unit E) of Section 11 to bottom hole locations in the SW/4 NW/4 (Unit E) of Section 10. The completed interval of the wells will be orthodox. The completed interval of the Red Skies 10 Federal Com-11H well will be located within 330' of the quarter-guarter section line separating the N/2 N/2 and S/2 N/2 of Section 10 to allow for the creation of a 320-acre 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 the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 9.59 miles southeast of Artesia, New Mexico. 80. 24093 Application of Riley Permian Operating Company, LLC for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 400-acre, more or less, spacing and proration unit comprised of the N/2 of Section 10 and the W/2NW/4 of Section 11. Township 18 South. Range 27 East, N.M.P.M, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Walter 182710111 #11H and Walter 182710111#22H Wells, which are oil wells that will be horizontally drilled from a surface location in the NE¼NE¼ of Section 9 to a bottom hole location in the Yeso Formation in the NW¼NW¼ of Section 11, and the Walter 182710111 #13H, Walter 182710111 #15H, and Walter 182710111 #24H, which are oil wells that will be horizontally drilled from a surface location in the NE1/4NE1/4 of Section 9 to a bottom hole location in the Yeso Formation in the SW1/4NW1/4 of Section 11. The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks; 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 10 miles from Artesia, New Mexico.