

**NOTICE OF HEARING
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
October 13, 2022
9:00 A.M.**

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

OCC Meeting October 13, 2022

Event:

Type: Unlisted Event

Event address for attendees: <https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ea138164dcd3b52d404a432ef856877f9>

Date and time: Thursday, October 13, 2022 9:00 am
Mountain Daylight Time (Denver, GMT-06:00)

Duration: 9 hours

Description:

Event number: 2487 454 7259

Event password: EjdcMQ3mm98

Video Address: 24874547259@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your meeting number.

Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code.

United States Toll

+1-408-418-9388

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Access code: 2487 454 7259

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at (505) 470-5480 or through the New Mexico Relay Network at 1-800-659-1779 by **October 3, 2022**. Public documents can be provided in various accessible formats. A preliminary agenda will be available to the public no later than two weeks prior to the meeting. A final agenda will be available no later than 72 hours preceding the meeting. Members of the public may obtain copies of the agenda by contacting Ms. Davidson at the phone number indicated above. Also, the agenda will be posted on the Oil Conservation Division website at www.emnrd.nm.gov/ocd.

The following items are for discussion and possible action:

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

Case 23049: Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico.

Cimarex Energy Co. seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 8, the W/2 of Section 17, and the W/2 of Section 20, Township 25 South, Range 27 East, NMPM. The unit will be dedicated to the White City 8-17-20 Fed. Com. Well Nos. 4H, 5H, 6H, and 7H. The unit is located approximately 7-1/2 miles south-southeast of Black River Village, New Mexico.

Case No. 22510: Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico.

Cimarex Energy Co. seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 8, the E/2 of Section 17, and the E/2 of

Notice of Hearing

October 13, 2022

Page 2

Section 20, Township 25 South, Range 27 East, NMPM. The unit will be dedicated to the White City 8-17-20 Fed. Com. Well Nos. 17H, 18H, 20H, 21H, and 22H. The unit is located approximately 8 miles south-southeast of Black River Village, New Mexico.

Case No. 22343: Application of Chevron U.S.A. Inc. for compulsory pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 17 and 20, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, to be dedicated to the following proposed initial wells: (1) the Glenfiddich 20 17 Fed Com 46 #1H well; (2) the Glenfiddich 20 17 Fed Com 46 #2H well; (3) the Glenfiddich 20 17 Fed Com 46 #3H well; and (4) the Glenfiddich 20 17 Fed Com 46 #4H well. Said unit is located approximately 9 miles east of Whites City, New Mexico.

Case No. 22344: Application of Chevron U.S.A. Inc. for compulsory pooling, Eddy County, New

Mexico. Applicant seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre horizontal spacing unit comprised of the W/2 of Sections 17 and 20, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, to be dedicated to the following proposed initial wells: (1) the Grey Goose 20 17 Fed Com 45 #1H well; (2) the Grey Goose 20 17 Fed Com 45 #2H well, both; (3) the Grey Goose 20 17 Fed Com 45 #3H well; and (4) the Grey Goose 20 17 Fed Com 45 #4H well. Said unit is located approximately 9 miles east of Whites City, New Mexico.

Also to be considered in each case will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of an operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells.

The above four cases will be heard de novo pursuant to an application for hearing de novo filed by Cimarex Energy Co. regarding Division Order No. R-22204.

Case 22506:

Application of WPX Energy Permian, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool (98220)), underlying a 862.40-acre, more or less, standard horizontal spacing unit comprised of all of Section 26 and the N/2 equivalent of irregular Section 35, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial Steel Guitar 35-26-29 Fed Com #451H well, to be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 26 to a bottom hole location in the SW/4 NW/4 (Lot 9) of Section 35. The S/2 N/2 of irregular Section 35 borders the Texas state line. Also to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 17 miles south of Malaga, New Mexico.

Case 23087:

Application of WPX Energy Permian, LLC For Approval of an 862.40-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, if needed, an 862.40-acre, more or less, non-standard horizontal well spacing unit in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool (98220)) underlying all of Section 26 and the N/2 equivalent of irregular Section 35, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral owners in this acreage. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed Steel Guitar 35-26-29 Fed Com #451H well, to be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 26 to a bottom hole location in the SW/4 NW/4 (Lot 9) of Section 35. The N/2 equivalent of irregular Section 35 borders the Texas state line. Also to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located

Notice of Hearing
October 13, 2022
Page 3

approximately 17 miles south of Malaga, New Mexico.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in black ink, appearing to read 'AS', is positioned below the commission's name.

Adrienne Sandoval, Chair