#### **NOTICE OF HEARINGS**

# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

**NOTICE IS HEREBY GIVEN** that on **Thursday, August 8, 2024,** beginning at **8:30 a.m.**, the Oil Conservation Division ("OCD") of the New Mexico Energy, Minerals and Natural Resources Department will hold public hearings, pursuant to 19.5.4 NMAC for the purpose of considering new applications listed in this notice. All interested persons are invited to appear. The hearings will be held before a hearing examiner and will be conducted in a hybrid fashion, both in-person and via MS Teams virtual meeting platform. To attend:

### In-person:

Energy, Minerals and Natural Resources Department Wendell Chino Building – Pecos Hall 1220 South St. Francis Drive, 1<sup>st</sup> Floor Santa Fe, NM 87505

## Virtually:

MS Teams Link: Click here to be connected to the MS Teams meeting.

#### Telephone:

(505) 312-4308

Phone conference ID: 371 967 323#

If you choose to attend remotely, please mute yourself upon entry.

Documents filed in these cases may be viewed at <a href="https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx">https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx</a>.

Presenting parties are required to submit a pre-hearing statement no later than the Thursday before the hearing. The pre-hearing statement shall include: 1) a list of disputed facts and issues; 2) identification of witnesses and their qualifications; and 3) all exhibits and written testimony a party intends to enter into evidence at the hearing and a full narrative for each.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Freya.Tschantz@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than 10 days prior to the hearing.

Note: All land descriptions refer to the New Mexico Principal Meridian.

1. Case No. 24732: Amended Application of Flat Creek Resources, LLC 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 Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (WILLOW LAKE; BONE SPRING, WEST [96415]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the N/2 N/2 of Sections 22 and 23 ("2-Mile HSU"), Township 24 South, Range 26 East, in Eddy County, New Mexico and, as an alternative, a standard 240-acre, more or less, HSU, comprised of the N/2 N/2 of Section 22 and the N/2 W/4 of Section 23 ("Alternative HSU"), Township 24 South, Range 26 East, in Eddy County, New Mexico, if timing issues arise with securing the Bureau of Land Management lease for the N/2 NE/4 of Section 23. Applicant proposes to drill the following 2-mile well in the HSU: Jurnegan Fed Com BS2 #1H well, to be horizontally drilled from a surface hole location approximately 965' FNL and 610' FWL of Section 22, T24S-R26E to a bottom hole location approximately 440' FNL and 100' FEL of Section 23, T24S-R26E. In the alternative, Flat Creek proposes to drill the Jurnegan Fed Com BS2 #1H well, from a surface hole location approximately 965' FNL and 610' FWL of Section 22, T24S-R26E to a bottom hole location approximately 440' FNL and 2540' FWL of Section 23, T24S-R26E as a 1.5-mile lateral in the Alternative HSU. The completed intervals and first and last take points in either HSU will meet statewide setback requirements 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 land are approximately 6 miles South West of Whites City, New Mexico.

- 2. Case No. 24733: Amended Application of Flat Creek Resources, LLC 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 Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (WILLOW LAKE; BONE SPRING, WEST [96415]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the S/2 N/2 of Sections 22 and 23, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: Jurnegan Fed Com BS2 #2H well, to be horizontally drilled from a surface hole location approximately 995' FNL and 610' FWL of Section 22, T24S-R26E to a bottom hole location approximately 1,870' FNL and 100' FEL of Section 23, T24S-R26E. The completed intervals and first and last take points will meet statewide setback requirements 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 land are approximately 6 miles South West of Whites City, New Mexico.
- 3. Case No. 24734: Amended Application of Flat Creek Resources, LLC 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 Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (WILLOW LAKE; BONE SPRING, WEST [96415]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the N/2 S/2 of Sections 22 and 23, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: Jurnegan Fed Com BS2 #3H well, to be horizontally drilled from a surface hole location approximately 1,400' FSL and 725' FWL of Section 22, T24S-R26E to a bottom hole location approximately 1,900' FSL and 100' FEL of Section 23, T24S-R26E. The completed intervals and first and last take points will meet statewide setback requirements 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 land are approximately 6 miles South West of Whites City, New Mexico.
- **4.** Case No. 24735: Amended Application of Flat Creek Resources, LLC 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 Bone Spring formation down to 8,062' (being 300' above the top of the Wolfcamp Formation, or 8,362') (WILLOW LAKE; BONE SPRING, WEST [96415]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the S/2 S/2 of Sections 22 and 23, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: Jurnegan Fed Com BS2 #4H well, to be horizontally drilled from a surface hole location approximately 1,370' FSL and 725' FWL of Section 22, T24S-R26E to a bottom hole location approximately 440' FSL and 100' FEL of Section 23, T24S-R26E. The completed intervals and first and last take points will meet statewide setback requirements 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 land are approximately 6 miles South West of Whites City, New Mexico.
- 5. Case No. 24737: Application of Marathon Oil Permian LLC for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, spacing unit comprised of the E/2 of Sections 20 and 29, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Vulture BS State Com 303H Well and the Vulture BS State Com 603H Well, which are oil wells that will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 29 to a bottom hole location in the Bone Spring Formation in the NW/4NE/4 (Unit B) of Section 20; and the Vulture BS State Com 304H Well and the Vulture BS State Com 604H Well, which are oil wells that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 29 to a bottom hole location in the Bone Spring Formation in the NE/4NE/4 (Unit O) of Section 20. 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 19 miles west from Hobbs, New Mexico.

- 6. Case No. 24738: Application of Marathon Oil Permian LLC for a Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, spacing unit comprised of the E/2 of Sections 20 and 29, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Vulture WC State Com 703H Well and the Vulture WC State Com 803H Well, which are oil wells that will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) of Section 29 to a bottom hole location in the Wolfcamp Formation in the NW/4NE/4 (Unit B) of Section 20; and the Vulture WC State Com 704H Well and the Vulture WC State Com 804H Well which are oil wells that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 29 to a bottom hole location in the Wolfcamp Formation in the NE/4NE/4 (Unit A) of Section 20. 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 19 miles west from Hobbs, New Mexico.
- 7. Case No. 24721: Application of Cimarex Energy Co. for the Creation of a Special Pool, a Wolfbone Pool, Pursuant to Order No. R-23132, to Reopen Case Nos. 22853 and 23295 and to Approve a Pooling Application for the Wolfbone Pool, Lea County, New Mexico. Applicant in the above- styled cause seeks an order from the Division creating a special pool, the proposed Quail Ridge; Wolfbone Pool (or pool name for the Wolfbone to be designated by the Division), pursuant to Order No. R-23132, within the W/2 W/2 of Sections 12 and 13, in Township 19 South, Range 34 East, NMPM, Lea County, New Mexico ("Subject Lands"). Applicant proposes that Division's statewide rules apply to spacing units and well locations within the Quail Ridge; Wolfbone Pool. The vertical extent of the proposed Wolfbone Pool will be the stratigraphic equivalent of the top of the Third Bone Spring, as the upper limit, located at approximately 10,620 feet measured depth, to the stratigraphic equivalent of the base of the Wolfcamp A shale, being the lower limit, located at approximately 11,225 feet measured depth, as found in the triple combo well log for the Quail Ridge 32 State 2 well (API No. 30-025-37703). Applicant will seek an order from the Division for the vertical extent by requesting the contraction of two pools, the Scharb; Bone Spring (Code 55610), as referenced in Cimarex's Exhibits for the Bone Spring, and the WC-025 G-09S203435D; Wolfcamp (Code 92847), as referenced in Pride's Exhibits for the Upper Wolfcamp, in a manner that avoids overlap with the proposed Quail Ridge; Wolfbone Pool. The base of the Scharb; Bone Spring (Code 55610) is to be contracted to approximately 10,620 feet, a depth equivalent to the top of the Third Bone Spring, and the top of the WC-025 G-09S203435D; Wolfcamp (Code 92847) is to be contracted to approximately 11,225 feet, the depth of the base of the Wolfcamp A Shale, as found in said triple combo well log of the Quail Ridge 32 State 2 Well (API No. 30-025-37703). To the extent necessary, Cimarex will request authorization for surface commingling. Also to be considered will be the re-opening of Case Nos. 22853 and 23295, for the purpose of continuing the Division's review of pooling applications filed in said Cases in order to determine operatorship of units and wells proposed by the pooling applications, including Applicant's pooling application for the Wolfbone Pool underlying the Subject Lands, in which Applicant seeks an order from the Division pooling all mineral interests in the Wolfbone Pool, consisting of the Third Bone Spring and Upper Wolfcamp formations, underlying a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the Subject Lands. The proposed well to be dedicated to the horizontal spacing unit is the Showbiz 13-12 State Com 301H Well, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the well 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 well. The Subject Lands are located approximately 20 miles of Southwest of Lovington, New Mexico. (Continued to: Thursday, August 22, 2024)
- **8.** Case No. 24693: Application of Matador Production Company to Amend Order R-22224-A to Allow Additional Time to Commence Drilling, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of the time to commence drilling the well authorized by Order No. R-22224, which pooled the Bone Spring formation underlying the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22224 dedicated this pooled horizontal well spacing unit to the proposed Lonnie King Fed Com 135H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18. Said area is located approximately 9 miles northwest of Jal, New Mexico.
- 9. Case No. 24694: Application of Matador Production Company to Amend Order R-22225-A to Allow Additional Time to Commence Drilling, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of the time to commence drilling the well authorized by Order No. R-22225, which pooled the Bone Spring formation underlying the E/2 SW/4

of Section 18, the E/2 W/2 of Section 19, and the E/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22225 dedicated this pooled horizontal well spacing unit to the proposed Lonnie King Fed Com 136H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NE/4 SW/4 (Unit K) of Section 18. Said area is located approximately 9 miles northwest of Jal, New Mexico.

- 10. Case No. 24695: Application of Matador Production Company to Amend Order R-22226-A to Allow Additional Time to Commence Drilling, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of the time to commence drilling the well authorized by Order No. R-22226, which pooled the Wolfcamp formation underlying the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22226 dedicated this pooled horizontal well spacing unit to the proposed Lonnie King Fed Com 211H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18. Said area is located approximately 9 miles northwest of Jal, New Mexico.
- 11. Case No. 24696: Application of Matador Production Company to Amend Order R-22227-A to Allow Additional Time to Commence Drilling, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of the time to commence drilling the well authorized by Order No. R-22227, which pooled the Wolfcamp formation underlying the E/2 SW/4 of Section 18, the E/2 W/2 of Section 19, and the E/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22227 dedicated this pooled horizontal well spacing unit to the proposed Lonnie King Fed Com 212H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NE/4 SW/4 (Unit K) of Section 18. Said area is located approximately 9 miles northwest of Jal, New Mexico.
- 12. Case No. 24722: Application of Avant Operating, LLC for approval of a non-standard spacing unit, compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Avant also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: the Lone Wolf 36 Fed Com #304H, Lone Wolf 36 Fed Com #504H, and Lone Wolf 36 Fed Com #604H wells with a proposed surface hole location in the SE/4 NE/4 (Unit H) of Section 36, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 35; and the Lone Wolf 36 Fed Com #305H, Lone Wolf 36 Fed Com #306H, Lone Wolf 36 Fed Com #505H, Lone Wolf 36 Fed Com #506H, Lone Wolf 36 Fed Com #605H, and Lone Wolf 36 Fed Com #606H wells with a proposed surface hole location in the SE/4 NE/4 (Unit H) of Section 36, and a proposed last take point in the NW/4 NW/4 (Unit D) of Section 35. The wells will be drilled at orthodox locations. This proposed horizontal spacing unit will partially overlap with a 160-acre Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 36, Township 18 South, Range 32 East, dedicated to Mewbourne Oil Company's Lone Wolf 36 B2DM State Com 1H well (API 30-025-42695). 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 10 miles south of Maljamar, New Mexico.
- 13. Case No. 24723: Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Outback 13-14 Fed Com 131H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13. The completed interval of the Well will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,988' MD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 9,150' MD as shown on the Yates-Federal #2 (API # 30-015-20970) well log. 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.
- 14. Case No. 24699: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed Red Bud Fed Com 25 36 32 73H well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 32, a first take point from the SE/4 SW/4 (Unit N) of Section 32, to a bottom hole location in the NE/4 NW/4 (Unit C) of

Section 29. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles southwest of Jal, New Mexico.

- 15. Case No. 24703: 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 the W/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 4, SW/4NW/4, and W/2SW/4 (the W/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 521H, with a first take point in the NW/4NW/4 of Section 33 and a last take point in the SW/4SW/4 of Section 4. 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 2-1/2 miles northwest of Malaga, New Mexico.
- 16. Case No. 24709: Application of Chevron U.S.A. Inc. 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 Wolfcamp formation underlying a standard 640-acre, more or less, spacing and proration unit comprised of the W/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to three gas wells: the SND 14-23 Fed Com 619H Well proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 14; the SND 14-23 Fed Com 620H Well proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 14, and the SND 14-23 Fed Com 621H Well proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 14. The wells will have nonstandard locations as the first and last take points do not comply with setback requirements under the Division's Special Rules for the Purple Sage; Wolfcamp (Gas) Pool as established in Order No. R-14262. Applicant will apply for administrative approval for the nonstandard locations of the wells. Applicant will apply administratively for surface commingling to the extent necessary. 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 15 miles North of the New Mexico state line, and approximately 20 miles East of Loving, New Mexico.
- 17. Case No. 24725: Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Outback 13-14 Fed Com 133H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 14. The completed interval of the Well will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,988' MD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 9,150' MD as shown on the Yates-Federal #2 (API # 30-015-20970) well log. 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.
- 18. Case No. 24729: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation. The Unit will be dedicated to the Tour Bus 23-26 Federal Com 602H well ("Well"), which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 23 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 26. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #003 (API No. 30-025-52613), which is located in the E/2 W/2 of Section 26, Township 22 South, Range 34 East, Lea County, and will produce from the Ojo Chiso; Bone Spring pool (Code 96553). Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 10,983' TVD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 11,336' TVD as shown on the Ojo Chiso Federal #3 (API # 30-025-30733) well log. 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 is located approximately 16 miles southwest of Eunice, New Mexico.

- 19. Case No. 24701: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 640.4-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying Lots 1-4 and the E/2 W/2 (W/2 equivalent) of irregular Sections 30 and 31, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed Nandina Fed Com 25 36 31 71H well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4 equivalent) of irregular Section 31, a first take point from Lot 4 (SW/4 SW/4 equivalent) of irregular Section 31, to a bottom hole location in Lot 1 (NW/4 NW/4 equivalent) of irregular Section 30. The completed interval of the Nandina Fed Com 25 36 31 71H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles southwest of Jal, New Mexico.
- 20. Case No. 24706: 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 Wolfcamp formation underlying a non-standard horizontal spacing unit comprised of Sections 27, 28, and 29, Township 20 South, Range 27 East, NMPM. The unit will be dedicated to: (a) The Pinta 29/27 Fed. Com. Well No. 711H, with a first take point in the NW/4NW/4 of Section 29 and a last take point in the NE/4NE/4 of Section 27; and (b) The Pinta 29/27 Fed. Com. Well No. 716H, with a first take point in the NW/4SW/4 of Section 29 and a last take point in the NE/4SE/4 of Section 27. Also to be considered 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 applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 8 miles southeast of Lakewood, New Mexico.
- 21. Case No. 24710: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 4 and 9, Township 24 South, Range 34 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to The Contest Fed Com 108H, The Contest Fed Com 128H, The Contest Fed Com 144H, and The Contest Fed Com 154H to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 9 and last take points in the NE/4SE/4 (Unit A) of Section 4; and The Contest Fed Com 116H, The Contest Fed Com 123H, The Contest Fed Com 126H, The Contest Fed Com 143H, and The Contest Fed Com 153H wells to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 9 and last take points in the NW/4NE/4 (Unit B) of Section 4. The producing area for the wells is expected to be orthodox. The completed intervals for The Contest Fed Com 116H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the 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 Civitas as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles northwest of Jal, New Mexico.
- **22.** Case No. 24726: Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Outback 13-14 Fed Com 134H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 14. The completed interval of the Well will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,988' MD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 9,150' MD as shown on the Yates-Federal #2 (API # 30-015-20970) well log. 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.

23. Case No. 24682: Unresolved Notice of Violation of 19.15.5.9(A), 19.15.25.8 and 19.15.7.24 NMAC

- 24. Case No. 24697: 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 comprised of the N/2 of Sections 21 and 22, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Bill Wilshusen Fed Com #201H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 22, with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the NW/4 NW/4 (Unit D) of Section 21; and Bill Wilshusen Fed Com #202H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 22, with a first take point in the SE/4 NE/4 (Unit H) of Section 22 and a last take point in the SW/4 NW/4 (Unit E) of Section 21. 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 said wells. The subject area is located approximately 3 miles northeast of Carlsbad, New Mexico.
- 25. Case No. 24711: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 4 and 9, Township 24 South, Range 34 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to The Contest Fed Com 208H and The Contest Fed Com 218H to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 9 and last take points in the NE/4SE/4 (Unit A) of Section 4; and The Contest Fed Com 203H and The Contest Fed Com 216H wells to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 9 and last take points in the NW/4NE/4 (Unit B) of Section 4. The producing area for the wells is expected to be orthodox. The completed intervals for The Contest Fed Com 216H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles northwest of Jal, New Mexico.
- 26. Case No. 24730: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 640-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation. The Unit will be dedicated to the Tour Bus 23-26 Federal Com 603H and Tour Bus 23-26 Federal Com 604H wells "("Wells"), which will be drilled from surface hole locations in the NE/4 (Unit A) of Section 23 to bottom hole locations in the SW/4 SE4 (Unit O) of Section 26. The completed interval of the Wells will be unorthodox. The completed interval of the Tour Bus 23-26 Federal Com 604H will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 23 and 26 to create a standard, 640-acre horizontal spacing unit. The Unit will partially overlap with the spacing units for the Ring Neck 8817 26 Federal #004H (API No. 30-025-52614) and the Ring Neck 8817 26 Federal #005H (API No. 30-025-52615), which are located in the W/2 E/2 and E/2 E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and will produce from the Ojo Chiso; Bone Spring pool (Code 96553). Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 10,983' TVD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 11,336' TVD as shown on the Ojo Chiso Federal #3 (API # 30-025-30733) well log. 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 16 miles southwest of Eunice, New Mexico.
- 27. Case No. 24707: Application of E.G.L. Resources, Inc. to Pool Additional Interests Under Order No. R-22821, Lea County, New Mexico. E.G.L. Resources, Inc. ("Applicant") seeks to pool additional uncommitted interests under the terms of Order No. R 22821 ("Order"). The Order: pooled uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Millie Mile 13-24 Federal Com No. 101H and Millie Mile 13-24 Federal Com 201H wells ("Wells"); and designated Applicant as operator of the Unit and Wells. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 7 miles east-northeast of Halfway, New Mexico.
- 28. Case No. 24724: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the S/2 N/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the Unit. The Unit will be dedicated to the Outback 13-

14 Fed Com 132H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 14. The completed interval of the Well will be orthodox. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,988' MD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 9,150' MD as shown on the Yates-Federal #2 (API # 30-015-20970) well log. The Unit will partially overlap with the spacing unit for the Government AC 13 Federal #005H (API No. 30-015-40880), which is located in the S/2 N/2 of Section 13, Township 20 South, Range 28 East, and produces from the Russell; Bone Spring Pool (Code 52805). 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.

- 29. Case No. 24728: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 640-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation. The Unit will be dedicated to the following wells ("Wells"): Tour Bus 23-26 Federal Com 303H, which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 23 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 26; and Tour Bus 23-26 Federal Com 304H, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 26. The completed intervals of the Wells will be orthodox. The completed interval of the Tour Bus 23-26 Federal Com 304H will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 23 and 26 to create a standard, 640-acre horizontal spacing unit. The Unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #004H (API No. 30-025-52614) and the Ring Neck 8817 26 Federal #005H (API No. 30-015-52615), which are located in the W/2 E/2 and E/2E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and will produce from the Ojo Chiso; Bone Spring pool (Code 96553). Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,674' TVD to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,867' TVD as shown on the Ojo Chiso Federal #003 (API # 30-025-30733) well log. 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 16 miles southwest of Eunice, New Mexico.
- **30.** Case No. 24700: Application of Ameredev Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 30 and 31, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev seeks to initially dedicate the above-referenced spacing unit to the proposed Nandina Fed Com 25 36 31 87H and Nandina Fed Com 25 36 31 97H well, both to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31, a first take point from the SE/4 SE/4 (Unit P) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 30. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Ameredev Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 7 miles southwest of Jal, New Mexico.
- 31. Case No. 24704: 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 the E/2W/2 of Section 33, Township 23 South, Range 28 East, N.M.P.M., and Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Foreigner 33/4 Fed. Com. Well No. 524H, with a first take point in the NE/4NW/4 of Section 33 and a last take point in the SE/4SW/4 of Section 4. 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 2-1/2 miles northwest of Malaga, New Mexico.
- **32. Case No. 24708: Application of E.G.L.** Resources, Inc. to Pool Additional Interests Under Order No. R-22822, Lea County, New Mexico. E.G.L. Resources, Inc. ("Applicant") seeks to pool additional uncommitted interests under the terms of Order No. R 22822 ("Order"). The Order: pooled uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Millie Mile 13-24 Federal Com No. 102H and Millie Mile 13-24 Federal

Com 202H well ("Wells"); and designated Applicant as operator of the Unit and Wells. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 7 miles east-northeast of Halfway, New Mexico.

- 33. Case No. 24698: Unresolved Notice of Violations of 19.15.25.8, 19.15.5.9(A), 19.15.8.9 and 19.15.7.24 NMAC
- **34.** Case No. 24705: Application of Mewbourne Oil Company for compulsory pooling and to vacate existing orders, 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 Sections 27, 28, and 29, Township 20 South, Range 27 East, NMPM. The unit will be dedicated to: (a) The Pinta 29/27 Fed. Com. Well No. 528H, with a first take point in the SW/4SW/4 of Section 29 and a last take point in the SE/4SE/4 of Section 27; (b) The Pinta 29/27 Fed. Com. Well No. 618H, with a first take point in the SW/4SW/4 of Section 29 and a last take point in the SE/4SE/4 of Section 27; and (c) The Pinta 29/27 Fed. Com. Well No. 613H, with a first take point in the SW/4NW/4 of Section 29 and a last take point in the SE/4NE/4 of Section 27. Also to be considered 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 applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. Applicant also requests that existing pooling Order Nos. R-22327, as amended, and R-22328, as amended, be vacated. The unit is located approximately 8 miles southeast of Lakewood, New Mexico.
- 35. Case No. 24712: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2S/2 of Sections 22 and 23, Township 24 South, Range 26 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to the Modelo 22-23 Fed Com 211H to be horizontally drilled with first take point in the NW/4SW/4 (Unit L) of Section 22 and last take point in the NE/4SE/4 (Unit I) of Section 23. The producing area for the well is expected to be orthodox. The well will be located within the Purple Sage Wolfcamp Gas Pool (Code 98220), which is subject to special pool rules that establish 330-foot setback requirements. The well will comply with the Division's setback requirements for this pool. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles south of Carlsbad, New Mexico.
- 36. Case No. 24702: Application of Ameredev Operating, LLC to Amend Order R-22139 to Add Pughed Parties, Lea County, New Mexico. Applicant in the above-styled cause seeks an order to add Pughed parties under compulsory pooling Order No. R-22139 ("Pooling Order") in order to propose an infill well under the existing order. Order No. R-22139 designated Ameredev Operating, LLC as the operator and pooled the uncommitted mineral interests in the Bone Spring formation (WC-025 G-08 S263620G; LWR Bone Spring Pool [98150]) underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. This standard horizonal well spacing unit is currently dedicated to the drilled and producing Red Bud 25 36 32 State Com 96H well (API: 30-025-49591) well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 32, a first take point in the SW/4 SE/4 (Unit O) of Section 32 and a bottom hole location in the NW/4 NE/4 (Unit B) of Section 29. Said area is located approximately 7 miles southwest of Jal, New Mexico.
- 37. Case No. 24713: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 22 and 23, Township 24 South, Range 26 East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to the Modelo 22-23 Fed Com 131H to be horizontally drilled with first take point in the NW/4SW/4 (Unit L) of Section 22 and last take point in the NE/4SE/4 (Unit I) of Section 23. The producing area for the well is expected to be orthodox. The completed interval for the Modelo 22-23 Fed Com 131H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles south of Carlsbad, New Mexico.
- **38.** Case No. 24714: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2S/2 of Sections 22 and 23, Township 24 South, Range 26

East, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to the Modelo 22-23 Fed Com 212H to be horizontally drilled with first take point in the SW/4SW/4 (Unit M) of Section 22 and last take point in the SE/4SE/4 (Unit P) of Section 23. The producing area for the well is expected to be orthodox. The well will be located within the Purple Sage Wolfcamp Gas Pool (Code 98220), which is subject to special pool rules that establish 330-foot setback requirements. The well will comply with the Division's setback requirements for this pool. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs and the actual operating costs and charges for supervision, designation of Civitas as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 14 miles south of Carlsbad, New Mexico.

39. Case No. 24727: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation. The Unit will be dedicated to the Tour Bus 23-26 Federal Com 302H well ("Well"), which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 23 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 26. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #003 (API No. 30-025-52613), which is located in the E2/ W/2 of Section 26, Township 22 South, Range 34 East, Lea County, and will produce from the Ojo Chiso; Bone Spring pool (Code 96553). Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,674' TVD to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,867' TVD as shown on the Ojo Chiso Federal #3 (API # 30-025-30733) well log. 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 is located approximately 16 miles southwest of Eunice, New Mexico.

**40.** Case No. 24715: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 N/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Wolfcamp formation underlying the Unit. The Unit will be dedicated to the Outback 13-14 Fed Com 201H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 14. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Government T Com #001 (API No. 30-015-20958), which is located in the N/2 of Section 14, Township 20 South, Range 28 East, and produces from the Burton Flat; Wolfcamp, North (Gas) Pool (Code 73520). 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.

41. Case No. 24716: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the S/2 N/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Wolfcamp formation underlying the Unit. The Unit will be dedicated to the Outback 13-14 Fed Com 202H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 13 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 14. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Government T Com #001 (API No. 30-015-20958), which is located in the N/2 of Section 14, Township 20 South, Range 28 East, and produces from the Burton Flat; Wolfcamp, North (Gas) Pool (Code 73520). 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.

**42.** Case No. 24717: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 S/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Wolfcamp formation underyling the Unit. The Unit will be dedicated to the Outback 13-14 Fed Com 203H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 14. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing

### Page 11 of 12

unit for the Government R Com #001 (API No. 30-015-20871), which is located in the S/2 of Section 14, Township 20 South, Range 28 East, and produces from the Burton Flat; Wolfcamp, North (Gas) Pool (Code 73520). 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.

- 43. Case No. 24718: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the S/2 S/2 of Sections 13 and 14, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Wolfcamp formation underlying the Unit. The Unit will be dedicated to the Outback 13-14 Fed Com 204H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 14. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Government R Com #001 (API No. 30-015-20871), which is located in the S/2 of Section 14, Township 20 South, Range 28 East, and produces from the Burton Flat; Wolfcamp, North (Gas) Pool (Code 73520). 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 is located approximately 15 miles northeast of Carlsbad, New Mexico.
- **44. Case No. 24719: Application of E.G.L.** Resources, Inc. for Compulsory Pooling, Lea County, New Mexico. E.G.L. Resources, Inc. ("Applicant") seeks an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, Township 18 South, Range 32 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): LTK 24-25 Fed Com 101H and 102H wells, to be drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 24 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 25; and LTK 24-25 Fed Com 103H well, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 25. The completed interval of the LTK 24-25 Fed Com 102H well will be located within 330'of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 24 and 25 to allow for the creation of a 640-acre standard horizontal spacing unit. Due to a depth severance in the Bone Spring formation, Applicant seeks to pool the interests in the First Bone Spring interval from the top of the formation to a depth of approximately 8,700' TVD. 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 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. The Wells are located approximately 8 miles south of Maljamar, New Mexico. (Continued to: Thursday, August 22, 2024)
- **45. Case No. 24720: Application of E.G.L.** Resources, Inc. for Compulsory Pooling, Lea County, New Mexico. E.G.L. Resources, Inc. ("Applicant") seeks an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 24 and 25, Township 18 South, Range 32 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): LTK 24-25 Fed Com 201H and 203H wells, to be drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 25; and LTK 24-25 Fed Com 205H well, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 25; and LTK 24-25 Fed Com 205H well, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 25. The completed interval of the LTK 24-25 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 24 and 25 to allow for the creation of a 640-acre standard horizontal spacing unit. Due to a depth severance in the Bone Spring formation, Applicant seeks to pool the interests in the Second Bone Spring interval from approximately 8,700' to 9580' TVD. 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 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. The Wells are located approximately 8 miles south of Maljamar, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Tuesday, July 16, 2024

# Page 12 of 12

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Gerasimos Razatos Acting Director, Oil Conservation Division