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, November 7, 2024** beginning at **9:00 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 inperson and via MS Teams virtual meeting platform. To attend:

Location:

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

-or-

MS Teams Link:

Click HERE to join the meeting.

Dial-In:

(505) 312-4308

Phone conference ID: 951 049 795#

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

The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov.

Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx.

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. 24912: Application of Apache Corporation for an Adjudicatory Hearing to Contest the Division's Conditions of Approval on Apache Corporation's Scope of Work for Additional Investigation, Lea County, New Mexico.
- **2.** Case No. 24905: IN RE: Sellers & Fulton Oil, LLC, OGRID #371978; Notice of Violation: Unresolved violations of 19.15.25.8 NMAC; 19.15.5.9(A) NMAC; 19.15.8.9 NMAC; and 19.15.7.24 NMAC.
- 3. Case No. 24921: Application of MRC Permian Company to Amend Order R-23188 to Additional Pooled Parties, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order amending pooling Order R-23188 to add additional mineral interest owners to the pooling order. Order R-23188 was issued in Case 24217 and pooled

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uncommitted mineral interest owners in the Bone Spring formation [Malaga; Bone Spring, North Pool (42800)] underlying the N2S2 of Sections 9 and 10, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard 320-acre horizontal well spacing unit is currently dedicated to the Prater Fed Com 113H and Prater Fed Com 123H wells. The subject area is located approximately 3 miles south of Loving, New Mexico.

- **4.** Case No. 24922: Application of MRC Permian Company to Amend Order R-23189 to Additional Pooled Parties, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order amending pooling Order R-23189 to add additional mineral interest owners to the pooling order. Order R-23189 was issued in Case 24218 and pooled uncommitted mineral interest owners in the Bone Spring formation [Malaga; Bone Spring, North Pool (42800)] underlying the S2S2 of Sections 9 and 10, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard 320-acre horizontal well spacing unit is currently dedicated to the Prater Fed Com 114H and Prater Fed Com 124H wells. The subject area is located approximately 3 miles south of Loving, New Mexico.
- **5.** Case No. 24923: Application of MRC Permian Company to Amend Order R-22682 to Add Additional Pooled Parties, Lea County, New Mexico. Applicant in the above-styled cause seeks an order amending pooling Order R-22682 to add additional mineral interest owners to the pooling order. Order R-22682 was issued in Case 23418 and pooled uncommitted mineral interest owners in the Bone Spring formation [Rock Lake; Bone Spring, South Pool (52769) and WC-025 G-06 S233516M; Middle Bone Spring Pool (98246)] underlying the E2SE4 of Section 4, and the E2E2 of Sections 9 and 16, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. This standard 400-acre horizontal well spacing unit is currently dedicated to the Marlan Downey State Com 124H well. The subject area is located approximately 14 miles southwest of Eunice, New Mexico.
- 6. Case No. 24924: Application of Spur Energy Partners LLC to Extend Time to Commence Drilling Operations and Pool Additional Interests Under Order Nos. R-22418 and R-22418-A, Eddy County, New Mexico. Spur Energy Partners LLC, ("Applicant") requests that the Division issue an order: (1) granting a one-year extension of time to commence drilling operations under Order No. R-22418-A; and (2) pooling additional uncommitted interests under Order No. R 22418. Order No. R-22418 (issued December 5, 2022): pooled uncommitted interests in the Yeso formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 25, Township 19 South, Range 25 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Darko 25 Federal 20H, Darko 25 Federal 21H, and Darko 25 Federal 30H wells ("Wells"); designated Applicant as operator of the Unit and Wells; and required Applicant to commence drilling the wells within one year unless an extension is obtained. Order No. R-22418-A extended the deadline to commence drilling the Wells until December 5, 2024. Applicant requests the Division extend the deadline to commence drilling the Wells until December 5, 2025. Additionally, since the Orders were entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of Order No. R-22418. The Wells are located approximately 14.92 miles south and approximately 3.07 miles west of Artesia, New Mexico.
- 7. Case No. 24925: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling (i) a standard 320-acre horizontal oil well spacing unit for all oil pools in the Barnett formation underlying the E2W2 of Sections 9 and 16, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, and (b) a standard 640-acre horizontal gas well spacing unit for all gas pools in the Barnett formation underlying the W2 of Sections 9 and 16, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing units, as needed, to the proposed Roy Turner State Com 812H well to be horizontally drilled from a surface location in the NW4 of Section 9, with a first take point in the NE4NW4 (Unit C) of Section 9 and a last take point in the SE4SW4 (Unit N) of Section 16. 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 proposed well. The subject area is located approximately 9 miles northwest of Jal, New Mexico.
- **8.** Case No. 24926: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling (i) a standard 320-acre horizontal oil well spacing unit for all oil pools in the Woodford formation underlying the W2W2 of Sections 9 and 16, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, and (b) a standard 640-acre horizontal gas well spacing unit for all gas pools in the Woodford formation underlying the W2 of Sections 9 and 16, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing units, as needed, to the proposed Roy Turner State Com 912H well to be horizontally drilled from a surface location in the NW4 of Section 9, with a first take point in the NE4NW4 (Unit C) of Section 9 and a last take point in the SE4SW4 (Unit N) of Section 16. Also, to be

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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 proposed well. The subject area is located approximately 9 miles northwest of Jal, New Mexico.

- **9.** Case No. 24927: Application of Manzano LLC for Approval of a Permanent Pressure Maintenance Project, Lea County, New Mexico. Applicant seeks an order approving the Jenkins San Andres Pressure Maintenance Project ("Project") as a permanent pressure maintenance project for the injection of produced gas through the Vince BGH #1 well into the San Andres formation in Section 30, Township 9 South, Range 35 East, Lea County, New Mexico. On March 22, 2022, the Division entered Order No. R-22076 ("Order") approving the Project as a pilot project. The Order: (1) authorizes Manzano to inject produced gas into the San Andres formation [Jenkins San Andres pool (Code 33950)] at a true vertical depth interval from approximately 4,840 feet to approximately 4,850 feet below the surface; (2) approves a Project Area of 320 acres, more or less, in the E/2 SE/4 of Section 19 and the SE/4 and E/2 NE/4 of Section 30, Township 9 South, Range 35 East, Lea County, New Mexico; (3) designates Manzano LLC as operator of the Project; and (4) approves Manzano's request to convert the Vince BGH No. 1 (API No. 30-025-37104) ("Well") from a vertical producing well to an injection well. The Order states that the authorizations provided therein shall terminate three (3) years after approval unless the Oil Conservation Division approves of the Project as a permanent pressure maintenance project following a hearing. In accordance with the Order, Manzano requests that the Division issue an order approving the Project as a permanent pressure maintenance project. The Project is located approximately 18.1 miles north of Tatum, New Mexico.
- 10. Case No. 24928: Application of Devon Energy Production Company, L.P. to Amend Order R-23414 to Pool an Overlapping Horizontal Gas Spacing Unit Rather Than an Oil Spacing Unit, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-23414 to pool an 800-acre overlapping horizontal gas spacing unit rather than a horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2 of Section 9, the S2 of Section 10, and the SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Order R-23414, issued in Case 24428, pooled an overlapping horizontal oil spacing unit in an interval of the Bone Spring formation underlying the S2S2 of Section 9, the S2S2 of Section 10, and the S2SW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. This oil spacing unit is currently dedicated to the proposed Bent Tree 9-11 State Com 224H, to be horizontally drilled from a surface location in the SW4 of Section 9, with a first take point in the SW4SW4 (Unit M) of Section 9 and a last take point in SE4SW4 (Unit N) of Section 11. Devon seeks to amend the pooling order to accommodate the placement of the well in a gas pool rather than the anticipated oil pool. This proposed 800-acre gas spacing unit will overlap the 800-acre spacing unit approved under Order R-23415 for the Bent Tree 9-11 State 337H and 338H wells to be drilled in a deeper interval of the Bone Spring formation. Said area is located approximately 5 miles northeast of Carlsbad, New Mexico.
- 11. Case No. 24929: Application of Civitas Permian Operating, LLC for Compulsory Pooling, Eddy 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 Section 34, Township 23 South, Range 27 East, and the E/2 of Section 3, Township 24 South, Range 27 East, Eddy County, New Mexico. The proposed horizontal spacing unit will be dedicated to the following wells ("Wells"): Smooth Hoperator 34-3 Fed Com 113H and Smooth Hoperator 34-3 Fed Com 123H to be horizontally drilled with first take point in the NW/4NE/4 (Unit B) of Section 34 and last take point in the SW/4SE/4 (Unit O) of Section 3, and Smooth Hoperator 34-3 Fed Com 114H and Smooth Hoperator 34-3 Fed Com 124H to be horizontally drilled with first take point in the NE/4NE/4 (Unit A) of Section 34 and last take point in the SE/4SE/4 (Unit P) of Section 3. The producing area for the well is expected to be orthodox. The completed interval for the Smooth Hoperator 34-3 Fed Com 113H 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 the 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 the Wells. Said area is located approximately 4 miles southwest of Loving, New Mexico.
- 12. Case No. 24930: 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, mor or less, horizontal well spacing unit in the Bone Spring formation underlying the W2W2 of W2W2 of Sections 3 and 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit the proposed Tony La Russa State Com 111H, Tony La Russa State Com 121H and Tony La Russa State Com 131H wells to be horizontally drilled from a surface location in the NW4 of Section 3, with first take points in the NW4NW4 (Unit D) of Section 3 and last take points in the SW4SW4 (Unit M) of Section 10. Also, to be considered will be the cost of drilling

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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 proposed well. The subject area is located approximately 6 miles west of Malaga, New Mexico.

- 13. Case No. 24931: 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, mor or less, horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of E2W2 of Sections 3 and 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit the proposed Tony La Russa State Com 112H, Tony La Russa State Com 122H and Tony La Russa State Com 132H wells to be horizontally drilled from a surface location in the NW4 of Section 3, with first take points in the NE4NW4 (Unit C) of Section 3 and last take points in the SE4SW4 (Unit N) of Section 10. 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 proposed well. The subject area is located approximately 6 miles west of Malaga, New Mexico.
- 14. Case No. 24932: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 111H well ("Well"), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 11 to a last take point 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 in the Unit, Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,675' TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) 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 20 miles south of Maljamar, New Mexico.
- 15. Case No. 24933: 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 320-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying the W2 of Section 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted mineral owners in the spacing unit. Applicant seeks to initially dedicate the above-referenced spacing unit the proposed Tony La Russa State Com 200H "u-turn" well to be horizontally drilled from a surface location in the SW4 of Section 10, with a first take point in the SW4SW4 (Unit M) of Section 10 and a last take point in the SE4SW4 (Unit N) of Section 10. This proposed spacing unit will overlap a 640-acre spacing unit in the Wolfcamp formation underlying the W2 of Sections 3 and 10 currently dedicated to the Tony La Russa 0310 State Com 225H (30-015-49520) and Tony La Russa 0310 State Com 226H (30-015-49601) wells operated by Matador Production Company. 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 proposed well. The subject area is located approximately 6 miles west of Malaga, New Mexico.
- **16. Case No. 24934: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard, horizontal spacing unit comprised of the E/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 112H well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 11 to a last take point in the SE/4 SW/4 (Unit N) of Section 14. The completed interval of the Well will be orthodox. Due to a depth severance in the Unit, Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,675' TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) 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 20 miles south of Maljamar, New Mexico.

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- 17. Case No. 24935: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Second and Third intervals of the Bone Spring formation underlying a 320-acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 121H well ("Well"), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 11 to a last take point 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 in the Unit, Applicant seeks to pool uncommitted interests from the top of the Second Bone Spring interval at a stratigraphic equivalent of approximately 9,675' TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) well log to the base of the Bone Spring formation. 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 20 miles south of Maljamar, New Mexico.
- 18. Case No. 24936: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Second and Third intervals of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 122H well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 11 to a last take point in the SE/4 SW/4 (Unit N) of Section 14. The completed interval of the Well will be orthodox. Due to a depth severance in the Unit, Applicant seeks to pool uncommitted interests from the top of the Second Bone Spring interval at a stratigraphic equivalent of approximately 9,675' TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) well log to the base of the Bone Spring formation. 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 20 miles south of Maljamar, New Mexico.
- 19. Case No. 24937: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 201H well ("Well"), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 11 to a last take point in the SW/4 SW/4 (Unit M) of Section 14. The completed interval of the Well will be orthodox. 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 20 miles south of Maljamar, New Mexico.
- **20.** Case No. 24938: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Anaconda Federal Com 202H well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 11 to a last take point in the SE/4 SW/4 (Unit N) of Section 14. The completed interval of the Well will be orthodox. 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 20 miles south of Maljamar, New Mexico.
- 21. Case No. 24939: Application of Read & Stevens, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from the top of the Bone Spring formation to the base of the Second Bone Spring formation, underlying a standard 160-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Section 14, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Slim Jim 14-15 Fed Com 121H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, with a first take point in the NE/4 NE/4 (Unit A) of Section 14, and a last take point in the NW/4 NW/4 (Unit D) of Section 14. 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 Permian Resources Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8.5 miles southwest of Maljamar, New Mexico.

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- **22.** Case No. 24941: Application of Read & Stevens, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from the top of the Bone Spring formation to the base of the Second Bone Spring formation, underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the S/2 N/2 of Sections 14 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Slim Jim 14-15 Fed Com 122H and Slim Jim 14-15 Fed Com 123H wells, both to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 14, with a first take point in the SE/4 NE/4 (Unit H) of Section 14, and a last take point in the SW/4 NW/4 (Unit E) of Section 15. 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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 8.5 miles southwest of Maljamar, New Mexico.
- 23. Case No. 24942: Application of Read & Stevens, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from the top of the Bone Spring formation to the base of the Second Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the S/2 of Sections 14 and 15, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Slim Jim 14-15 Fed Com 124H and Slim Jim 14-15 Fed Com 125H wells, both to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 14, with a first take point in the NE/4 SE/4 (Unit I) of Section 15; and Slim Jim 14-15 Fed Com 126H well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 14, with a first take point in the SE/4 SE/4 (Unit P) of Section 14, and a last take point in the SW/4 SW/4 (Unit M) of Section 15. 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 Permian Resources Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 8.5 miles southwest of Maljamar, New Mexico.
- 24. Case No. 24943: Application of MRC Permian Company for compulsory pooling and approval of overlapping well units, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 of Section 28 Township 23 South, Range 29 East, NMPM. MRC seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed Anderson Laing Fed. Well No. 129H, to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the SW/4SE/4 (Unit M) of Section 28. The well is a U-turn well; The E2/E/2 of the well will contain the south-north lateral, and the W/2E/2 will contain the north-south lateral. MRC also requests approval for the well unit requested herein to overlap the following wells: The Cypress 28 Federal #001H (30-015-37249), Cypress 28 Federal #002H (30-015-37331), Cypress 28 Federal #003H (30-015-38287, and Cypress 28 Federal #004H (30-015-39330). 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 east-northeast of Harroun, New Mexico.
- **25.** Case No. 24944: Application of Alpha Energy Partners, 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 Wolfcamp formation, designated as a gas pool, underlying a standard 1267.84-acre, more or less, horizontal spacing and proration unit comprised of the Sections 17 and 18 in Township 22 South, Range 27 East, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the Hollywood Star 17-18 Fee 701H Well to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18; the Hollywood Star 17-18 Fee 702H Well to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 17 to a bottom hole location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18; the Hollywood Star 17-18 Fee 704H Well to be horizontally drilled from a surface location in the NW/4NW/4 (Lot 1) of Section 18; the Hollywood Star 17-18 Fee 801H Well to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18; the Hollywood Star 17-18 Fee 802H Well to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 18; the Hollywood Star 17-18 Fee 803H Well to be horizontally drilled from a bottom hole location in the NE/4SE/4 (Unit I) of Section 18; the Hollywood Star 17-18 Fee 803H Well to be horizontally drilled from a bottom hole location in the NE/4SE/4 (Unit I) of Section 18; the Hollywood Star 17-18 Fee 803H Well to be

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horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18. The 802H Well is the proximity well, and proximity tracts will be utilized. All the proposed wells will be orthodox, and their take points and completed intervals will comply with the special rules for the Purple Sage, Wolfcamp pool pursuant to Order No. R-14262. 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 1.5 miles south-southeast from the center of Carlsbad.

- 26. Case No. 24920: Application of MRC Permian Company to Amend Order R-23187 to Additional Pooled Parties, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order amending pooling Order R-23187 to add additional mineral interest owners to the pooling order. Order R-23187 was issued in Case 24216 and pooled uncommitted mineral interest owners in the Bone Spring formation [Malaga; Bone Spring, North Pool (42800)] underlying the S2N2 of Sections 9 and 10, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard 320-acre horizontal well spacing unit is currently dedicated to the Emmett Fed Com 112H and Emmett Fed Com 122H wells. The subject area is located approximately 3 miles south of Loving, New Mexico.
- 27. Case No. 24919: Application of MRC Permian Company to Amend Order R-23186 to Additional Pooled Parties, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order amending pooling Order R-23186 to add additional mineral interest owners to the pooling order. Order R-23186 was issued in Case 24215 and pooled uncommitted mineral interest owners in the Bone Spring formation [Malaga; Bone Spring, North Pool (42800)] underlying the N2N2 of Sections 9 and 10, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard 320-acre horizontal well spacing unit is currently dedicated to the Emmett Fed Com 111H and Emmett Fed Com 121H wells. The subject area is located approximately 3 miles south of Loving, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Thursday, October 17, 2024

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Gerasimos Razatos Acting Director, Oil Conservation Division

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