

NSL Initial Application

RECEIVED: 08/31/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2124357311
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Centennial Resource Production, LLC	OGRID Number: 372165
Well Name: Juliet Fed Com #513H	API: 30-025-49015
Pool: Red Hills; Bone Spring, North	Pool Code: 96434

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
- ☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
- ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
- ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☒ Offset operators or lease holders
- B. ☒ Royalty, overriding royalty owners, revenue owners
- C. ☐ Application requires published notice
- D. ☐ Notification and/or concurrent approval by SLO
- E. ☒ Notification and/or concurrent approval by BLM
- F. ☐ Surface owner
- G. ☒ For all of the above, proof of notification or publication is attached, and/or,
- H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kaitlyn A. Luck _____

Print or Type Name

_____  _____

Signature

08/31/21

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



Kaitlyn A. Luck
Associate
Phone (505) 954-7286
KALuck@hollandhart.com

August 31, 2021

VIA ONLINE FILING

Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Centennial Resource Production, LLC, for administrative approval of an unorthodox well location for its Juliet Fed Com #513H well in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

Centennial Resource Production, LLC ("Centennial") (OGRID No. 372165) seeks administrative approval of an unorthodox well location for its **Juliet Fed Com #513H well** (API No. 30-025-49015) to be completed within the Red Hills; Bone Spring, North Pool (Pool Code 96434) underlying the 240-acre, more or less, spacing unit in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

This well is to be drilled at the following location:

- Surface location: 2,189 feet from the north line and 2,111 feet from the west line (Unit F) of Section 27;
- Bottom hole location: 100 feet from the north line and 1,570 feet from the west line (Unit C) of Section 22;
- First take point: 2,539 feet from the north line and 1,570 feet from the west line (Unit F) of Section 27;

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

- Last take point: 100 feet from the north line and 1,570 feet from the west line (Unit C) of Section 22.

Since this acreage is governed by the Division's statewide rules, the completed interval for the **Juliet Fed Com #513H well** is unorthodox because the completed interval is closer than the standard offsets to the western boundary of the spacing unit in the W/2 W/2 of Section 22 and the W/2 NW/4 of Section 27. Approval of the unorthodox completed interval will allow Centennial to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Juliet Fed Com #513H well** encroaches on the spacing unit to the west in the W/2 W/2 of Section 22 and the W/2 NW/4 of Section 27.

Exhibit B is a land plat for Sections 22 and 27, that shows the proposed **Juliet Fed Com #513H well** in relation to the adjoining spacing units to the west in the W/2 W/2 of Section 22 and the W/2 NW/4 of Section 27.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the west. **Exhibit C** includes the tracking information that reflects the "affected parties" were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator	Centennial Resource Production, LLC	Tracts 1, 2, 3, 4, 5	N/A
Working Interest	OXY USA, Inc.	Tract 1	8/27/21
Working Interest	MRC Permian Company	Tracts 3, 5	8/27/21
Working Interest	NOVO Oil and Gas Northern Delaware, LLC	Tract 5	8/27/21
Working Interest	Marathon Oil Permian, LLC	Tract 5	8/27/21
Working Interest	Energen Resource Corporation	Tract 5	8/27/21
Working Interest	COG Operating, LLC	Tract 5	8/27/21
Working Interest	Chief Capital (O&G) II, LLC	Tract 5	8/27/21
Working Interest	EOG Resources, Inc.	Tract 5	8/27/21

Exhibit D is a statement from a Centennial's petroleum engineer confirming that Centennial's requested unorthodox location is necessary due to unforeseen circumstances while drilling and to prevent wasted resources.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", written over a horizontal line.

Kaitlyn A. Luck
**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code	3 Pool Name	
4 Property Code		5 Property Name JULIET FEDERAL COM		6 Well Number 513H
7 OGRID No.		8 Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC		9 Elevation 3462.3'

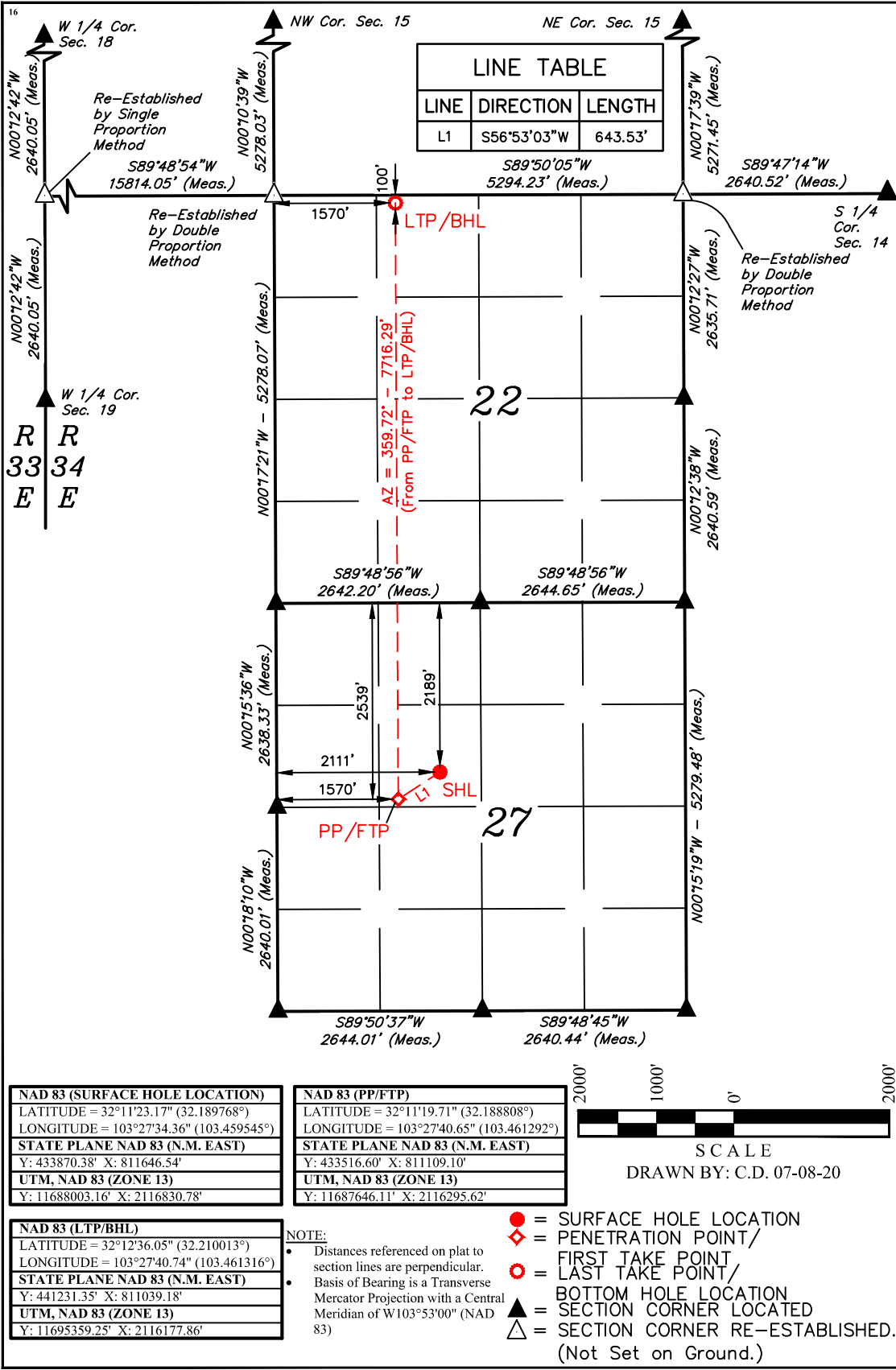
10 Surface Location

UL or lot no. F	Section 27	Township 24S	Range 34E	Lot Idn	Feet from the 2189	North/South line NORTH	Feet from the 2111	East/West line WEST	County LEA
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11 Bottom Hole Location If Different From Surface

UL or lot no. C	Section 22	Township 24S	Range 34E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 1570	East/West line WEST	County LEA
12 Dedicated Acres 240		13 Joint or Infill		14 Consolidation Code		15 Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

July 02, 2020

Date of Survey _____
Signature and Seal of Professional Surveyor: _____

PAUL BUCHELE
NEW MEXICO
23782
07-08-20
PROFESSIONAL SURVEYOR

Certificate Number: _____

EXHIBIT A



Juliet Fed Com #513H NSL Notice List 8-24-2021

Tract 1: (W/2 NW/4 Section 22)

Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202

OXY USA, Inc.
5 Greenway Plaza, Suite 110
Houston, Texas 77046

Tract 2: (NW/4 SW/4 Section 22)

Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202

Tract 3: (SW/4 SW/4 Section 22)

Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202

MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240

Tract 4: (NW/4 NW/4 Section 27)

Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202

Tract 5: (SW/4 NW/4 Section 27)

Centennial Resource Production, LLC
1001 17th Street, Suite 1800
Denver, CO 80202

NOVO Oil and Gas Northern Delaware, LLC
105 North Hudson Avenue, Suite 500
Oklahoma City, OK 73102

Marathon Oil Permian, LLC
5555 San Felipe
Houston, Texas 77056

Energen Resource Corporation
500 West Texas Ave., Suite 1200
Midland, Texas 79701

COG Operating, LLC
600 W. Illinois Ave.
Midland, Texas 79701

MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240

Chief Capital (O&G) II, LLC
8111 Westchester Drive, Suite 900
Dallas, Texas 75225

EOG Resources, Inc.
5509 Champions Drive
Midland, Texas 79706

EXHIBIT C



Kaitlyn A. Luck
Associate
Phone (505) 954-7286
KALuck@hollandhart.com

August 27, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Application of Centennial Resource Production, LLC, for administrative approval of an unorthodox well location for its Juliet Fed Com #513H well in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Gavin Smith
Centennial Resource Development Inc.
(720) 499-1474
Gavin.Smith@cdevinc.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Parent ID	Mail Date	Company	Delivery Address	City	ST	Zip	MailClass	TrackingNo	Well
31309	08/27/2021	Centennial Resource Production, LLC	1001 17th St Ste 1800	Denver	CO	80202-2058	Certified with Return Receipt (Signature)	9414811898765800777941	70943 - Centennial - Juliet 513H - notice list - 1
31309	08/27/2021	OXY USA, Inc.	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Certified with Return Receipt (Signature)	9414811898765800777989	70943 - Centennial - Juliet 513H - notice list - 2
31309	08/27/2021	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	9414811898765800777934	70943 - Centennial - Juliet 513H - notice list - 3
31309	08/27/2021	NOVO Oil and Gas Northern Delaware, LLC	105 N Hudson Ave Ste 500	Oklahoma City	OK	73102-4802	Certified with Return Receipt (Signature)	9414811898765800777972	70943 - Centennial - Juliet 513H - notice list - 4
31309	08/27/2021	Marathon Oil Permian, LLC	5555 San Felipe St	Houston	TX	77056-2701	Certified with Return Receipt (Signature)	9414811898765800777651	70943 - Centennial - Juliet 513H - notice list - 5
31309	08/27/2021	Energen Resource Corporation	500 W Texas Ave Ste 1200	Midland	TX	79701-4203	Certified with Return Receipt (Signature)	9414811898765800777668	70943 - Centennial - Juliet 513H - notice list - 6
31309	08/27/2021	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	Certified with Return Receipt (Signature)	9414811898765800777620	70943 - Centennial - Juliet 513H - notice list - 7
31309	08/27/2021	Chief Capital O&G II, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Certified with Return Receipt (Signature)	9414811898765800777606	70943 - Centennial - Juliet 513H - notice list - 8
31309	08/27/2021	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Certified with Return Receipt (Signature)	9414811898765800777699	70943 - Centennial - Juliet 513H - notice list - 9



1001 17th Street, Suite 1800
Denver, Colorado 80202

August 24, 2021

Re: Juliet Fed Com #513H
SHL: 2189' FNL Sec. 27 & 2111' FWL Sec. 27 T24S R34E
BHL: 100' FNL Sec. 22 & 1570' FWL Sec. 22 T24S R34E
Lea County, New Mexico

To Whom it May Concern,

Centennial Resource Production, LLC respectfully requests administrative approval on a non-standard location for the Juliet Fed Com #513H to allow the completed interval to be less than 330 feet from the western boundary of the existing 240-acre horizontal spacing unit. This well is located in the Red Hills; Bone Spring, North pool (96434). Due to the current spacing of the producing wells in this section, Centennial has planned the Juliet Fed Com #513H, Juliet Fed Com #514H, Solomon Fed Com #505H and Sheba Fed Com #506H wells with at least 950 feet of spacing between each well. This spacing pattern causes the Juliet Fed Com #513H to be drilled less than 330 feet from the western boundary of the spacing unit. Centennial requests approval of this non-standard location to avoid causing wasted resources and reducing the production of the wells listed above.

Sincerely,

Grayson Viles
Sr. Reservoir Engineer
Centennial Resource Production, LLC

A handwritten signature in black ink, appearing to read 'Grayson Viles', written over the printed name and title.

EXHIBIT D

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 45489

CONDITIONS

Operator: CENTENNIAL RESOURCE PRODUCTION, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 45489
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/31/2021