

RECEIVED: <b>03/02/22</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL2206333895</b>
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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:** Airstream 24 State Com #603H **API:** 30-025-49732  
**Pool:** Ojo Chiso; Bone Spring, South **Pool Code:** 97293

### 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.

Adam G. Rankin

Print or Type Name

Signature

3/2/2022

Date

505-954-7294

Phone Number

AGRRankin@hollandhart.com

e-mail Address



**Adam G. Rankin**  
**Phone (505) 954-7294**  
AGRankin@hollandhart.com

March 2, 2022

**VIA ONLINE FILING**

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

**Re: Centennial Resource Production, LLC**  
**Request for Administrative Approval of Unorthodox Well Location**

Airstream 24 State Com #603H well  
W/2 of Sections 24 and 25, Township 22 South, Range 34 East  
Lea County, New Mexico  
Ojo Chiso; Bone Spring, South pool [97293]  
API No. 30-025-49732

Dear Ms. Sandoval:

Centennial Resource Production, LLC (OGRID No. 372165), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC and applicable rules governing acreage and well location requirements for the Ojo Chiso; Bone Spring, South pool [97293], seeks administrative approval of an unorthodox well location for its **Airstream 24 State Com #603H well** (API No. 30-025-49732), in a 640-acre, more or less, spacing unit underlying the W/2 of Sections 24 and 25, Township 22 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

The proposed surface and bottom hole locations and first and last take points are as follows:

- the surface location is located 265 feet from the north line and 1578 feet from the east line (Unit B) of Section 24,
- the bottom hole location is located 100 feet from the south line and 2516 feet from the west line (Unit N) of Section 25,
- the first take point is located 100 feet from the north line and 2516 feet from the west line (Unit C) of Section 24 and

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

- the last take point is located 100 feet from the south line and 2516 feet from the west line (Unit N) of Section 25.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the eastern boundary of the spacing unit – thus encroaching on the E/2 of Sections 24 and 25, Township 22 South, Range 34 East. As explained in engineering statement included as **Exhibit A**, approval of the unorthodox, completed interval will allow Centennial to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

**Exhibit B** is a Form C-102 showing the interval of the proposed Airstream 24 State Com #603H well encroaches on the spacing unit/tracts to the east in the E/2 of Sections 24 and 25, Township 22 South, Range 34 East.

**Exhibit C** is a plat for Sections 24 and 25, Township 22 South, Range 34 East, that shows the proposed Airstream 24 State Com #603H well in relation to adjoining spacing unit/tracts to the east. Exhibit B also includes an ownership list for the affected spacing unit to the east, showing that it is owned by Centennial and ConocoPhillips Company as working interest owners. In addition, the exhibit identifies that these are State leases. Accordingly, the "affected persons"<sup>1</sup> are the applicant, Centennial Resource Production, LLC, ConocoPhillips Company, and the New Mexico State Land Office.

**Exhibit D** is a spreadsheet listing all affected persons (other than the applicant, Centennial) and includes tracking information demonstrating that each of the affected persons was 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
Operator/ Working Interest	ConocoPhillips Company	NW/4NE/4, W/2SE/4 of Section 25
Federal/State Mineral Interest	New Mexico State Land Office	W/2E/2 of Sections 24 and 25

<sup>1</sup> See NMAC §§ 19.15.2.7.A(8) and 19.15.4.12.A(2)(a).

Your attention to this matter is appreciated.

Sincerely,



Adam G. Rankin  
**ATTORNEY FOR**  
**CENTENNIAL RESOURCE PRODUCTION, LLC**

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110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
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Alaska  
Colorado  
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Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
Wyoming



1001 17<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202

February 22, 2022

Re: Airstream 24 State Com #603H  
SHL: 265' FNL Sec. 24 & 1,578' FEL Sec. 24 T22S R34E  
BHL: 100' FSL Sec. 25 & 2,516' FWL Sec. 25 T22S 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 Airstream 24 State Com #603H to allow the completed interval to be less than 330 feet from the eastern boundary of the existing 640.00-acre horizontal spacing unit. This well is located in the Ojo Chiso; Bone Spring, South pool (97293). Due to the current spacing of the producing wells in this section, Centennial has planned the Airstream 24 State Com #604H and Airstream 24 State Com #605H wells with at least 900 feet of spacing between each well. This spacing pattern causes the Airstream 24 State Com #603H 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,

A handwritten signature in blue ink, appearing to read "Grayson Viles".

**Grayson Viles**  
Sr. Reservoir Engineer  
Centennial Resource Production, LLC

**EXHIBIT A**

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

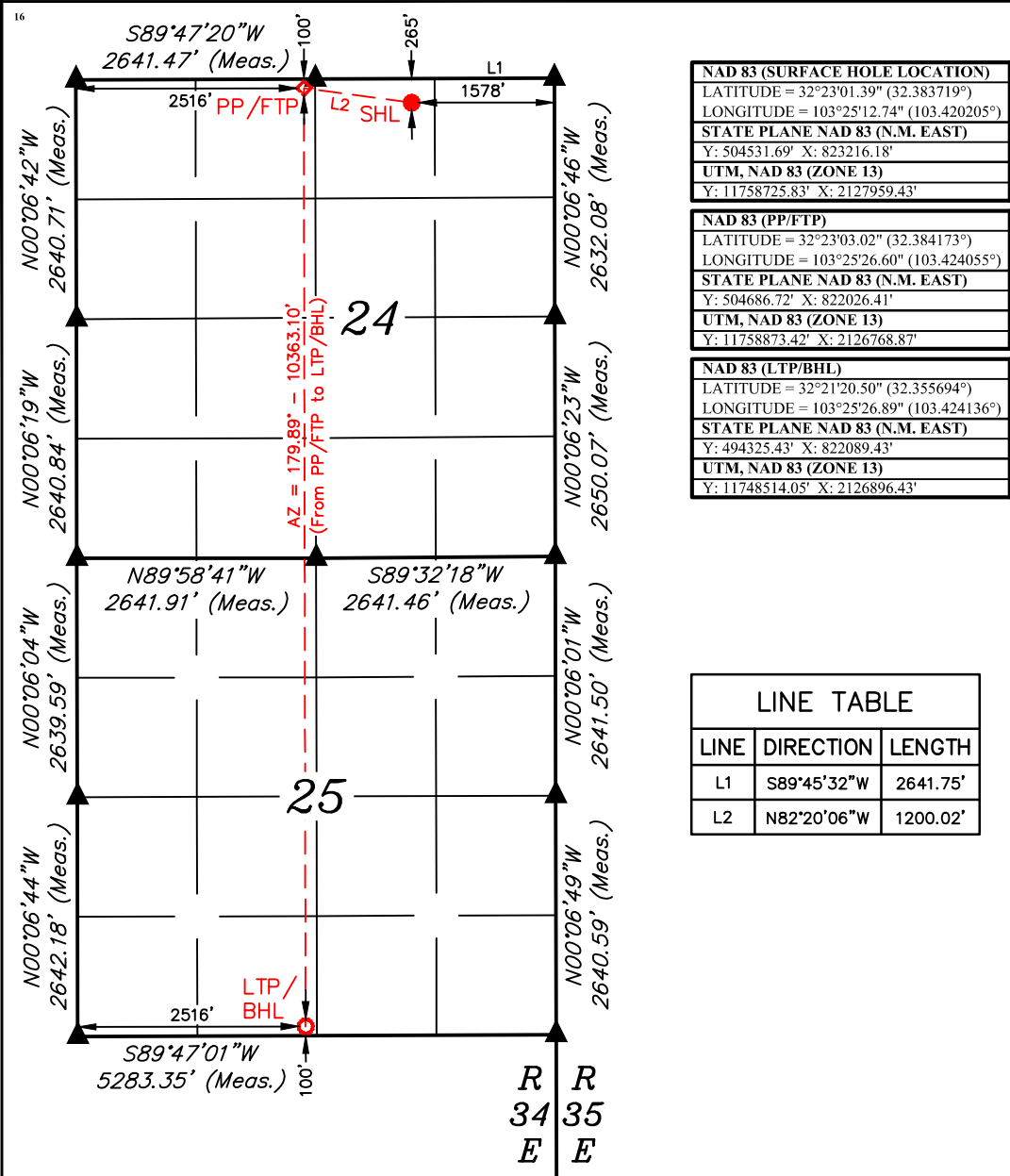
WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name AIRSTREAM 24 STATE COM		<sup>6</sup> Well Number 603H
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC		<sup>9</sup> Elevation 3531.0'

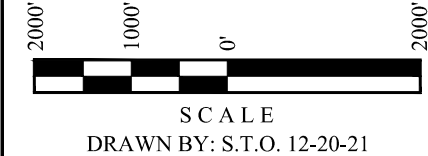
<sup>10</sup> Surface Location									
UL or lot no. B	Section 24	Township 22S	Range 34E	Lot Idn	Feet from the 265	North/South line NORTH	Feet from the 1578	East/West line EAST	County LEA

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. N	Section 25	Township 22S	Range 34E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 2516	East/West line WEST	County LEA
<sup>12</sup> Dedicated Acres 640.00		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.



NOTE:  
• Distances referenced on plat to section lines are perpendicular.  
• Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)



- = SURFACE HOLE LOCATION
- ◆ = PENETRATION POINT/FIRST TAKE POINT
- = LAST TAKE POINT/  
BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED

**<sup>17</sup> 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 \_\_\_\_\_

**<sup>18</sup> 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.*

December 17, 2021

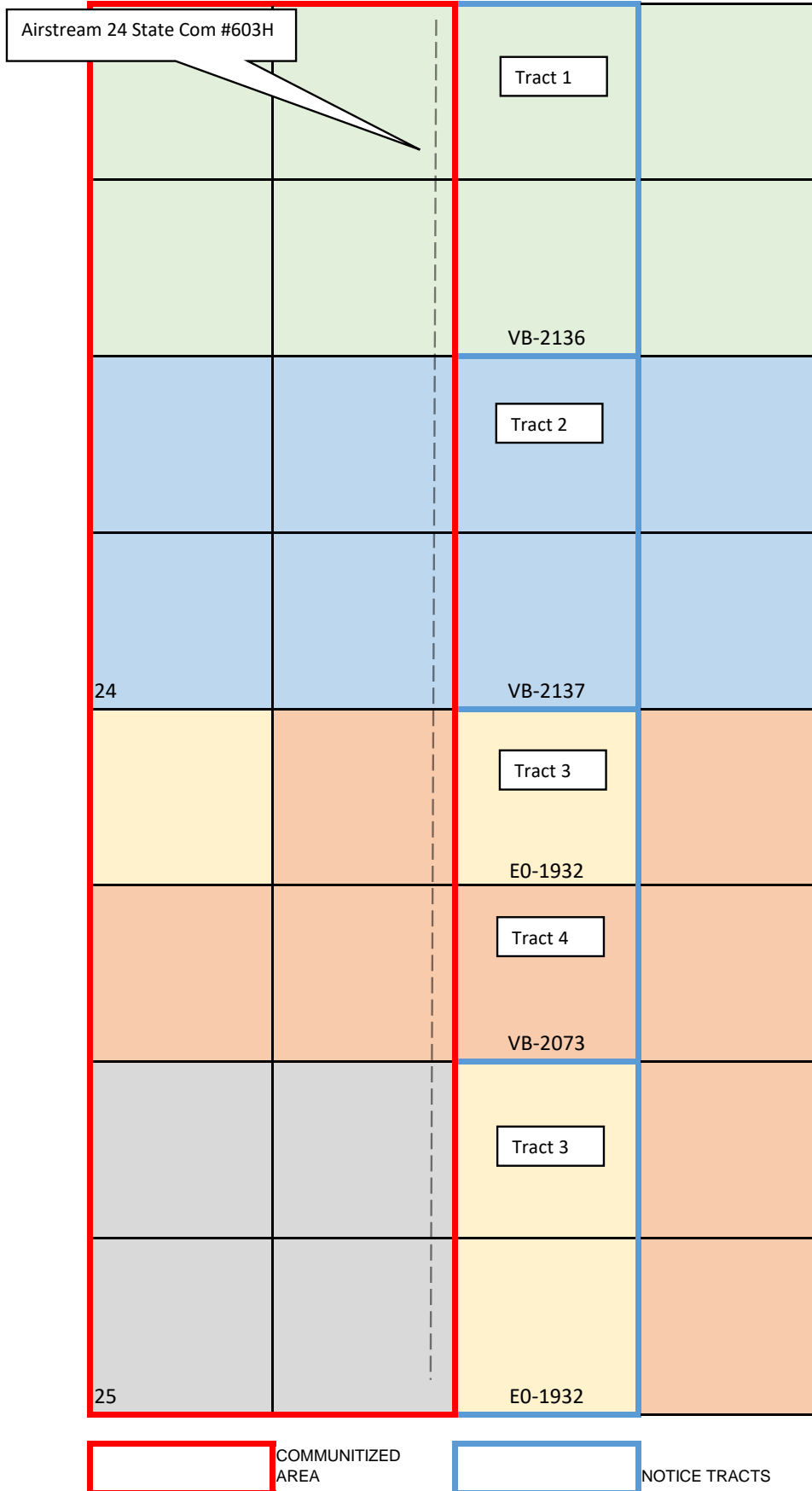
Date of Survey \_\_\_\_\_  
Signature and Seal of Professional Surveyor: \_\_\_\_\_



Certificate Number: \_\_\_\_\_

EXHIBIT B

Airstream 24 State Com #603H NSL Notice Map  
Township 22 South, Range 34 East, Lea County, New Mexico



# EXHIBIT C

**Airstream 24 State Com #603H NSL Notice List 2-22-2022**

**Tract 1: (W/2 NE/4 Section 24)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

**Tract 2: (W/2 SE/4 Section 24)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

**Tract 3: (NW/4 NE/4, W/2 SE/4 Section 25)**

ConocoPhillips Company  
600 W. Illinois  
Midland, Texas 79701

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

**Tract 4: (SW/4 NE/4 Section 25)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87501



ADDR1	ADDR2	ADDR3	ADDR4	ADDR5	ADDR6	ADDR7
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501		
ConocoPhillips Company	600 W. Illinois	Midland	TX	79701		

## EXHIBIT D



**Adam G. Rankin**  
**Phone (505) 954-7294**  
AGRankin@hollandhart.com

March 1, 2022

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL AFFECTED PERSONS**

**Re: Centennial Resource Production, LLC**  
**Request for Administrative Approval of Unorthodox Well Location**

Airstream 24 State Com #603H well  
W/2 of Sections 24 and 25, Township 22 South, Range 34 East  
Lea County, New Mexico  
Ojo Chiso; Bone Spring, South pool [97293]  
API No. 30-025-49732

Ladies and Gentlemen:

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 Production, LLC  
(720) 499-1474  
Gavin.Smith@cdevinc.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam G. Rankin".

Adam G. Rankin  
**ATTORNEY FOR**  
**CENTENNIAL RESOURCE PRODUCTION, LLC**

T 505.988.4421 F 505.983.6043  
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www.hollandhart.com

Alaska  
Colorado  
Idaho

Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
Wyoming

Parent ID	Mail Date	Name	Address	City	ST	Zip	Mail Class	TrackingNo	Well
31309	03/01/2022	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Certified with Return Receipt (Signature)	9414811898765840530735	71937 - CDEV - Airstream 602H - NSL - notice list - 1
31309	03/01/2022	ConocoPhillips Company	600 W Illinois Ave	Midland	TX	79701-4882	Certified with Return Receipt (Signature)	9414811898765840530919	71937 - CDEV - Airstream 602H - NSL - notice list - 2

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Phone:(575) 748-1283 Fax:(575) 748-9720  
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**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
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 85629

CONDITIONS

Operator: CENTENNIAL RESOURCE PRODUCTION, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 85629
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
Ilowe	NSL-8331 is approved.	4/29/2022