

RECEIVED: 06/22/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2217449275
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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: WPX Energy Permian, LLC **OGRID Number:** 246289
Well Name: Steel Guitar 35-26 Fed Com 451H **API:** 30-015-49377
Pool: Purple Sage; Wolfcamp (Gas) **Pool Code:** 98220

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.

6/22/22

Date

Adam G. Rankin

Print or Type Name

505-954-7294

Phone Number

Signature

AGRankin@hollandhart.com

e-mail Address



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

June 22, 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: WPX Energy Permian, LLC
Request for Administrative Approval of Unorthodox Well Location

Steel Guitar 35-26 Fed Com 451H well
All of Sections 26 and 35, T26S, R29E
Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) pool [98220]
API No. 30-015-49377

Dear Ms. Sandoval:

WPX Energy Permian, LLC (OGRID No. 246289), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Purple Sage; Wolfcamp (Gas) pool [98220], seeks administrative approval of an unorthodox well location for its **Steel Guitar 35-26 Fed Com 451H well** (API No. 30-015-49377), in an 862.40-acre, more or less, spacing unit underlying All of Sections 26 and 35, T26S, R29E, Eddy County, New Mexico.

The proposed location is as follows:

- Surface location: 423' FNL and 1797' FWL (Unit C) of Section 26
- Bottom hole location: 50' FSL and 330' FWL (L9) of Section 35
- First take point: 100' FNL and 330' FWL (Unit D) of Section 26
- Last take point: 100' FSL and 330' FWL (L9) of Section 35

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 northern and southern

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

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Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

boundaries of the spacing unit – thus encroaching on Section 23, T26S, R29E (Eddy Co. New Mexico) to the north, and the NE/4 of Section 4, Blk 57 T1, T&P RR Co. Svy (Loving Co., Texas) to the south. Approval of the unorthodox, completed interval will allow WPX to use its preferred development plan for horizontal wells in this area, which will maximize recovery and prevent waste.

Exhibit A is a Form C-102 showing the proposed Steel Guitar 35-26 Fed Com 451H well encroaches on the spacing unit/tracts to the north in Section 23, T26S, R29E (Eddy Co. New Mexico), and to the south in the NE/4 of Section 4, Blk 57 T1, T&P RR Co. Svy (Loving Co., Texas).

Exhibit B is a plat showing the Steel Guitar 35-26 Fed Com 451H well spacing unit in relation to the adjoining spacing unit/tracts to the north and south. The affected spacing unit to the north is operated by Mewbourne Oil Company, and the affected spacing unit/tracts to the south is operated by BPX Operating Company. In addition, the affected spacing unit to the north contains a BLM lease (NMNM-011038). Accordingly, the “affected persons”¹ are Mewbourne Oil Company, BPX Operating Company, and the United States Bureau of Land Management.

Exhibit C is a spreadsheet listing all affected persons 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 persons:

Type	Affected Party	Location
Operator/ Working Interest	Mewbourne Oil Company	Section 23 (All)
Operator/ Working Interest	BPX Operating Company	E/2 of Section 4
Federal/State Mineral Interest	United States Bureau of Land Management	Section 23 (All)

¹ See NMAC §§ 19.15.2.7.A(8) [defining “affected persons” as, “the operator” or “in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner”] and 19.15.4.12.A(2)(a).

Your attention to this matter is appreciated.

Sincerely,



Adam G. Rankin
ATTORNEY FOR
WPX ENERGY PERMIAN, LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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Wyoming

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 Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87502
Phone: (505) 476-3460 Fax: (505) 476-3465

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 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 98220	³ Pool Name PURPLE SAGE WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name STEEL GUITAR 35-26 FED COM	⁶ Well Number 451H
⁷ OGRID No. 246289	⁸ Operator Name WPX ENERGY PERMIAN, LLC	⁹ Elevation 2887.5'

¹⁰ Surface Location

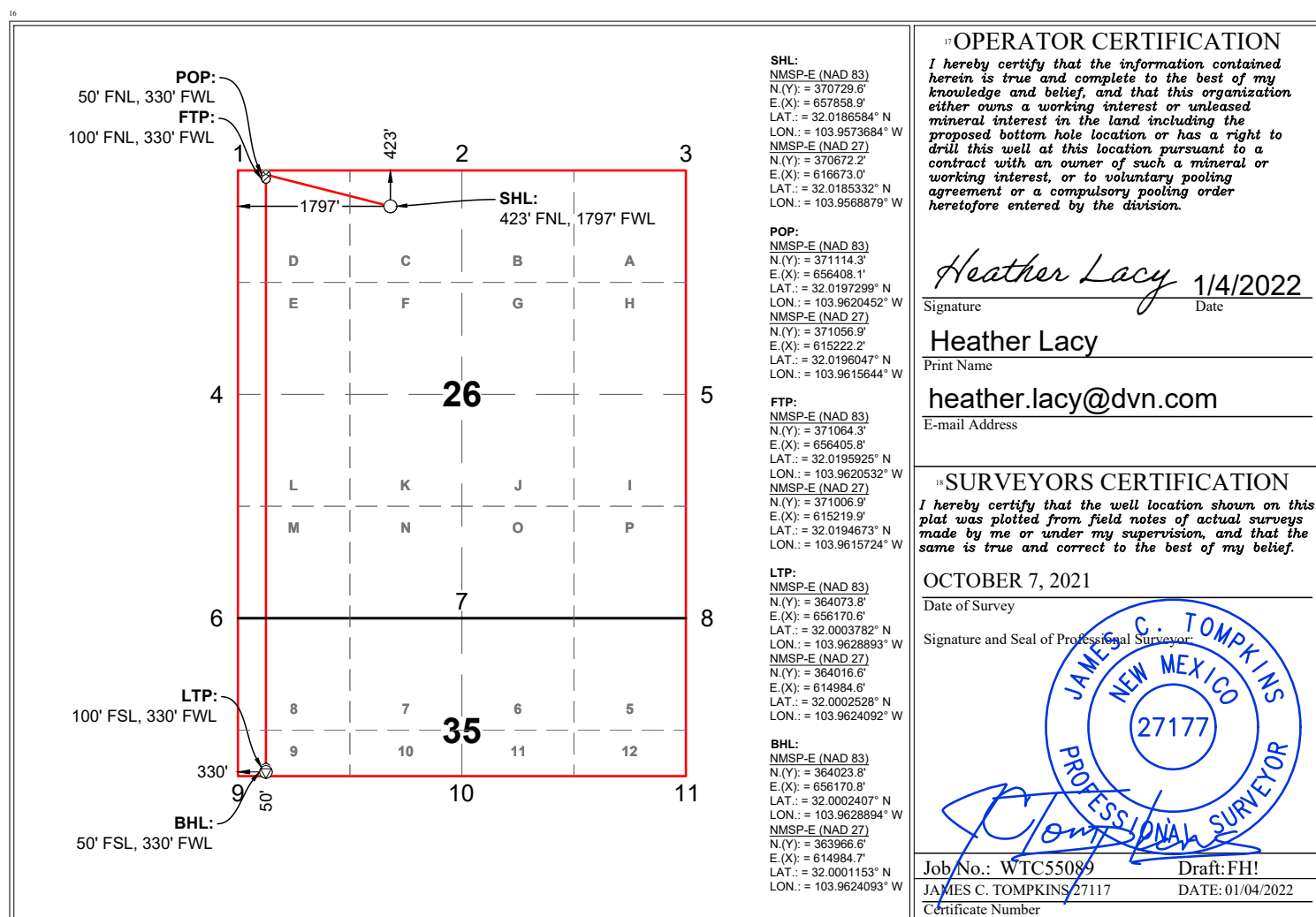
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	26-S	29-E		423	NORTH	1797	WEST	EDDY

11Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L9	35	26-S	29-E		50	SOUTH	330	WEST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidated Code	¹⁵ Order No.
862.40			

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.



Steel Guitar 35-26 Fed Com 451H NSL

**Proposed Spacing Unit of Unorthodox Well**

- All of Sec. 26-26S-29E, & All of Sec. 35-26S-29E, Eddy County, NM (862.4 acres)

**Encroached Affected Tracts**

TRACT 1: Sec. 23, T26S-R29E, Eddy Co., New Mexico (NMNM-011038)

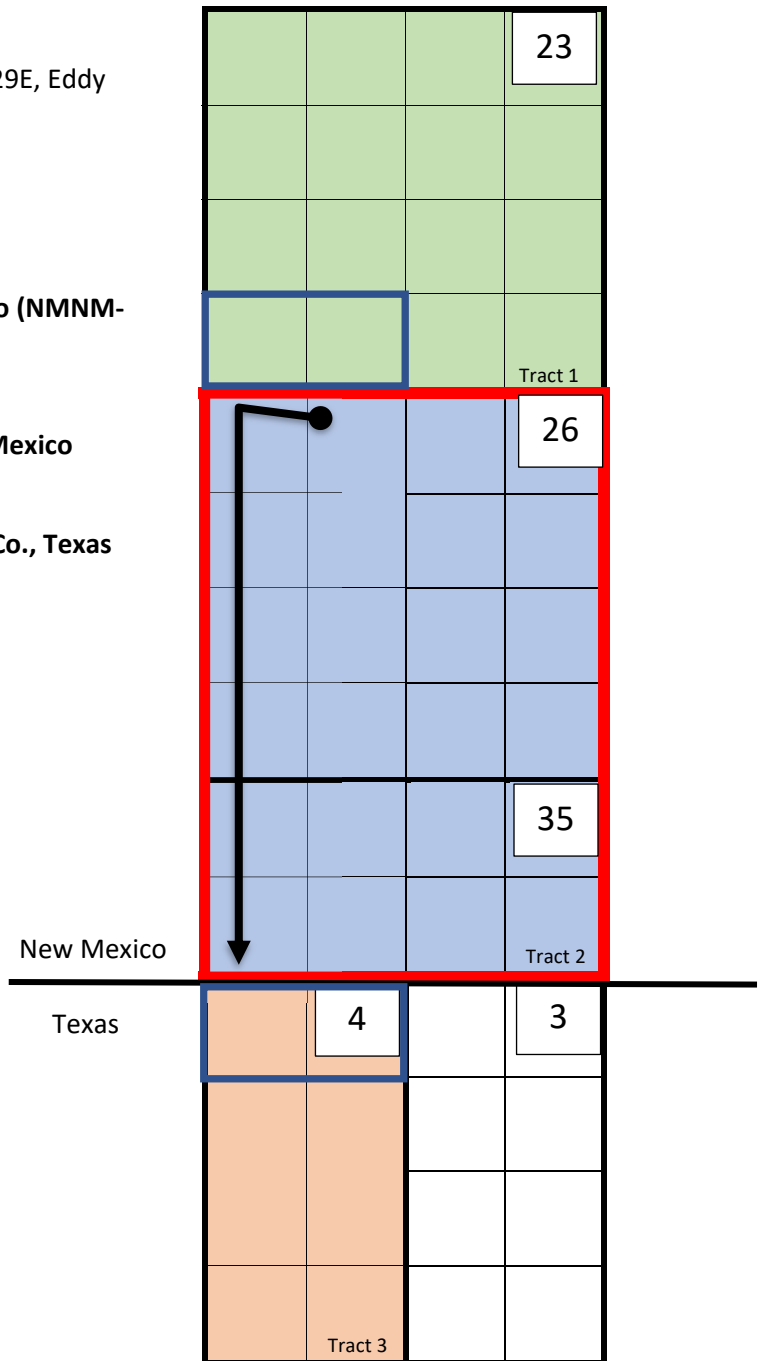
Operator: Mewbourne Oil Company

TRACT 2: Sec. 26 & 35, T26S-R29E, Eddy Co., New Mexico

Operator: WPX Energy Permian, LLC

TRACT 3: Sec. 4, Blk 57 T1, T&P RR Co. Svy, Loving Co., Texas

Operator: BPX Operating Company

**EXHIBIT B**

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5	ADDR6
Mewbourne Oil Company	500 W. Texas Ave., Suite 1020	Midland	TX	79701	
BPX Operating Company	1700 Platte St., Suite 150	Denver	CO	80202	
Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508	
Bureau of Land Management	620 E Greene St.	Carlsbad	NM	88220	

EXHIBIT C



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

June 20, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: WPX Energy Permian, LLC
Request for Administrative Approval of Unorthodox Well Location

Steel Guitar 35-26 Fed Com 451H well
All of Sections 26 and 35, T26S, R29E
Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) pool [98220]
API No. 30-015-49377

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:

Andrew J. Wenzel
WPX Energy Permian, LLC
(405) 228-4218
Andrew.Wenzel@dvn.com

Sincerely,

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

Adam G. Rankin
ATTORNEY FOR
WPX ENERGY PERMIAN, LLC

T 505.988.4421 F 505.983.6043
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Wyoming

MANIFEST - 72653 - WPX - Steel Guitar 35-26 Fed Com 451H NSL

Parent ID	Mail Date	Name	Address	City	ST	Zip	MailClass	TrackingNo	Well
31309	06/20/2022	Mewbourne Oil Company	500 W Texas Ave Ste 1020	Midland	TX	79701-4279	Certified w/ Return Receipt (Signature)	9414811898765878822819	72653 - WPX - Steel Guitar 35-26 Fed Com 451H NSL - notice list - 1
31309	06/20/2022	BPX Operating Company	1700 Platte St Ste 150	Denver	CO	80202-2837	Certified w/ Return Receipt (Signature)	9414811898765878822857	72653 - WPX - Steel Guitar 35-26 Fed Com 451H NSL - notice list - 2
31309	06/20/2022	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Certified w/ Return Receipt (Signature)	9414811898765878822826	72653 - WPX - Steel Guitar 35-26 Fed Com 451H NSL - notice list - 3
31309	06/20/2022	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Certified w/ Return Receipt (Signature)	9414811898765878822802	72653 - WPX - Steel Guitar 35-26 Fed Com 451H NSL - notice list - 4

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

CONDITIONS

Action 119693

CONDITIONS

Operator: WPX Energy Permian, LLC Devon Energy - Regulatory Oklahoma City, OK 73102	OGRID: 246289
	Action Number: 119693
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8398 is approved. The approved Order can be retrieved at the following OCD: website. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	6/23/2022