

ID NO. 156599

NSL - 8473

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2231348451
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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: Advance Energy Partners Hat Mesa, LLC **OGRID Number:** 372417
Well Name: Anderson Federal Com #505H **API:** 30-025-49428
Pool: Red Tank; Bone Spring **Pool Code:** 51683

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.

Lizzy Laufer

Print or Type Name

E. Laufer
 Signature

10/28/2022

Date

737-444-2997

Phone Number

llauffer@Ameredev.com

e-mail Address



2901 Via Fortuna, Suite 600, Austin, Texas 78746 • Phone 832-672-4700 • Fax 832-672-4609

November 7, 2022

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

Attn: Mr. Leonard Lowe

**Re: Anderson Federal Com 505H (API 30-025-49428)
Lot 4, Section 2-T22S-R32E
Lea County, New Mexico**

Dear Mr. Lowe,

Advance Energy Partners Hat Mesa, LLC (OGRID No. 372417) request administrative approval for a nonstandard location (NSL) for the proposed Anderson Federal Com 505H (30-025-49428), located in a 240-acre horizontal spacing unit in the W2SW of Section 26 and W2EW of Section 35, Township 21 South, Range 32 East, Lea County, New Mexico.

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

- The surface location is located 180 feet from the north line and 776 feet from the west line (Lot 4) of Section 2, T22S-R32E.
- The bottom hole location is located 2,554 feet from the south line and 1,231 feet from the west line (Unit L) of Section 26, T21S-R32E.
- The first take point is located 102 feet from the south line and 1,158 feet from the west line (Unit M) of Section 35, T21S-R32E.
- The last take point is located 2,540 feet from the south line and 1,231 feet from the west line (Unit L) of Section 26, T21S-R32E.

The Anderson Federal Com 505H (30-025-49428) is an oil well located in Red Tank; Bone Spring pool [51683]. The Anderson Federal Com 505H is an infill well in the horizontal spacing unit for the Anderson Federal Com 501H (API: 30-025-48891).

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because the first take point and last take point are closer than the standard offsets to the eastern boundary of the spacing unit and encroaches on the E2SW of Section 26 and E2W2 of Section 35, Township 21 South, Range 32 East, Lea County, New Mexico. Approval of the NSL will allow Advance to use its preferred well spacing for horizontal wells in this area and thereby maximize recovery and prevent waste.

Exhibit A is a Form C-102 showing the completed interval of the Anderson Federal Com 505H well which encroaches on the spacing unit/tracts to the east in the E2SW of Section 26 and E2W2 of Section 35.

New Mexico OCD

November 7, 2022

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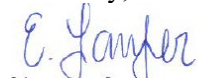
Exhibit B is a plat for Sections 26 and 35 that shows the Anderson Federal Com 505H well in relation to the adjoining spacing unit/tracts to the east. As shown on the plat, the affected spacing unit to the east as to the SESW of Section 26 and E2W2 of Section 35 is operated by Advance Energy Partners Hat Mesa, LLC. The NESW of Section 26 is unleased lands owned by the BLM. The BLM has not made this tract available for leasing due to the lesser prairie chicken. A notification letter has been sent to the BLM. Accordingly, the only “affected persons”¹ are the applicant, Advance Energy Partners Hat Mesa, LLC and the BLM.

Exhibit C is a spreadsheet listing all the 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 objection must be filed in writing with the Division within 20 days from the date the Division received the application. The following are the affected parties:

TYPE	AFFECTED PARTY	LOCATION	DATE LETTER SENT	MAIL TRACKING NUMBER
Mineral Owner	BLM	NE/4SW/4 SEC 26 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	N/A (Unleased)	NE/4SW/4 SEC 26 21S-32E	N/A	N/A
Lessor	BLM	SE/4SW/4 SEC 26 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	Advance Energy Partners Hat Mesa, LLC	SE/4SW/4 SEC 26 21S-32E	N/A	N/A
Lessor	BLM	E2NW SEC 35 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	Advance Energy Partners Hat Mesa, LLC	E2NW SEC 35 21S-32E	N/A	N/A
Lessor	Fee	E2SW SEC 35 21S-32E	N/A	N/A
Operator	Advance Energy Partners Hat Mesa, LLC	E2SW SEC 35 21S-32E	N/A	N/A

Your attention to this matter is appreciated.

Sincerely,



Lizzy Laufer

Landman

Advance Energy Partners Hat Mesa, LLC

Email: LLaufer@ameredev.com

Cell Telephone: 512-587-687

¹ See NMAC §§ 19.15.2.7.A(8) and 19.15.4.12.A(2)(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 Rd., 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 and Natural Resources Department

Form C-102
Revised August 4, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT
As Drilled

API Number 30-025-49428	Pool Code 51683	Pool Name RED TANK;BONE SPRING
Property Code 326484	Property Name ANDERSON FED COM	Well Number 505H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA, LLC	Elevation 3685'

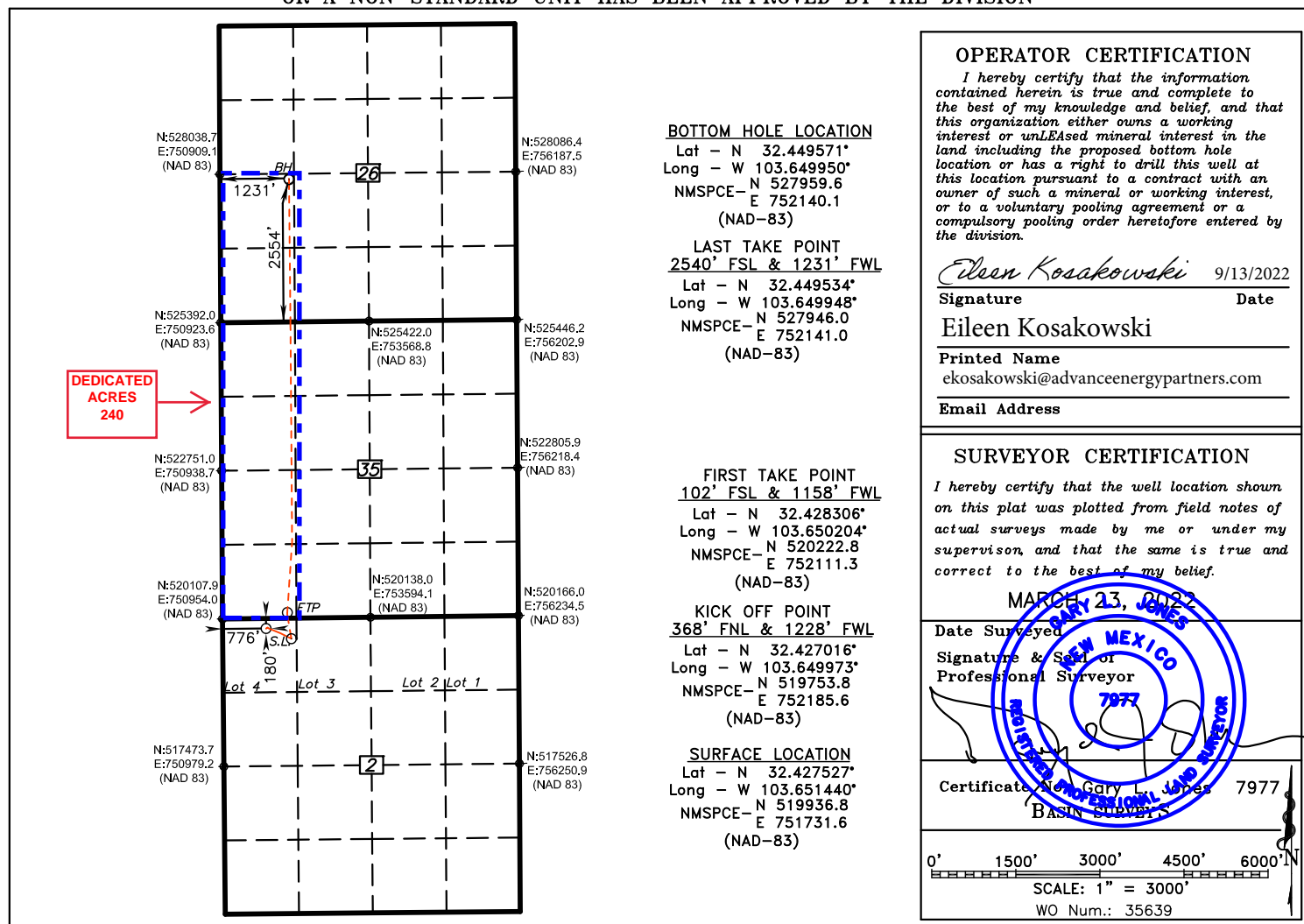
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
LOT 4	2	22 S	32 E		180	NORTH	776	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No. L	Section 26	Township 21 S	Range 32 E	Lot Idn	Feet from the 2554	SOUTH/South line SOUTH	Feet from the 1231	East/West line WEST	County LEA
Dedicated Acres 240	Joint or Infill	Consolidation Code C	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



Property Code	Property Name ANDERSON FED COM	Well Number 505H
OGRID No.	Operator Name ADVANCE ENERGY PARTNERS HAT MESA, LLC	Elevation 3685'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
LOT 4	2	22 S	32 E		180	NORTH	776	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No. L	Section 26	Township 21 S	Range 32 E	Lot Idn	Feet from the 2562	SOUTH/South line SOUTH	Feet from the 1231	East/West line WEST	County LEA
Dedicated Acres	Joint or Infill	Consolidation Code	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

BLM Unleased

AREA OF ENCROACHMENT

NMNM 126968

NMNM 120905

Fee Lease

Operator Certification

I hereby certify that the information is true and correct to the best of my knowledge and belief, and that I am a duly licensed Professional Surveyor in the State of New Mexico.

Advanced is the operator of the E2W2 of Section 35 and SESW of Section 26. The NESW of Section 26 is unleased lands owned by the BLM. The BLM has not made this tract available for leasing due to lesser prairie chicken.

Advanced is the operator and record title owner of federal oil and gas leases NMNM 126968 and NMNM 120905. There are no unleased owners in the E2SW of Section 35.

Survey Data:

BOTTOM

Lat - N 32.427527°

Long - W 103.651440°

NMSPCE - E 751731.6 (NAD-83)

SURFACE LOCATION

Lat - N 32.427527°

Long - W 103.651440°

NMSPCE - E 751731.6 (NAD-83)

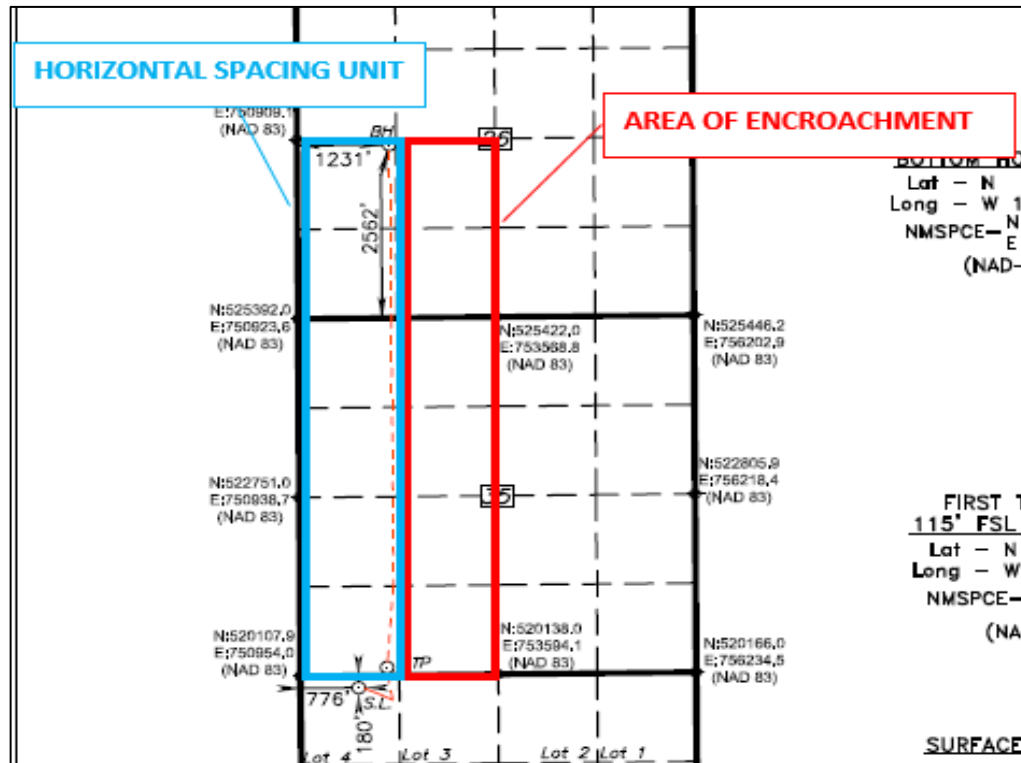
Surveyor: Gary L. Jones, 7977

Scale: 1" = 3000'

WO Num.: 35639

EXHIBIT C

TYPE	AFFECTED PARTY	LOCATION	DATE LETTER SENT	MAIL TRACKING NUMBER
Mineral Owner	BLM	NE/4SW/4 SEC 26 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	N/A (Unleased)	NE/4SW/4 SEC 26 21S-32E	N/A	N/A
Lessor	BLM	SE/4SW/4 SEC 26 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	Advance Energy Partners Hat Mesa, LLC	SE/4SW/4 SEC 26 21S-32E	N/A	N/A
Lessor	BLM	E2NW SEC 35 21S-32E	11/7/2022	7021 2720 0001 2621 9952
Operator	Advance Energy Partners Hat Mesa, LLC	E2NW SEC 35 21S-32E	N/A	N/A
Lessor	Fee	E2SW SEC 35 21S-32E	N/A	N/A
Operator	Advance Energy Partners Hat Mesa, LLC	E2SW SEC 35 21S-32E	N/A	N/A





2901 Via Fortuna, Suite 600, Austin, Texas 78746 • Phone 832-672-4700 • Fax 832-672-4609

November 7, 2022

VIA CERTIFIED MAIL TRACKING NO. 7021 2720 0001 2621 9952
RETURN RECEIPT REQUESTED

BLM
620 E. Greene St.
Carlsbad, New Mexico 88220

Re: Advance Energy Partners Hat Mesa, LLC
Request for Administrative Approval of an Unorthodox Location (NSL)
Anderson Federal Com 505H (API 30-025-49428)
Lot 4, Section 2-T22S-R32E
Lea County, New Mexico

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 me by phone at 512-737-444-2997 or email at LLaufer@ameredev.com.

Sincerely,

A handwritten signature in blue ink that reads "Lizzy Laufer". The signature is written in a cursive, flowing style.

Lizzy Laufer
Landman
Advance Energy Partners, LLC
Email: LLaufer@ameredev.com

District I
1625 N. French Dr., Hobbs, NM 88240
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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 156599

CONDITIONS

Operator: ADVANCE ENERGY PARTNERS HAT MESA, LLC 11490 Westheimer Rd., Ste 950 Houston, TX 77077	OGRID: 372417
	Action Number: 156599
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8473 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	11/9/2022