

From: [Lowe, Leonard, EMNRD](#)
To: [Paula M. Vance](#)
Cc: [Adam Rankin](#)
Subject: RE: [EXTERNAL] Permian - Solomon Federal Com 105H NSL
Date: Wednesday, June 21, 2023 9:15:00 AM
Attachments: [image001.png](#)

Ms. Paula Vance,

The OCD will withdraw the NSL application pertaining to Action ID NO. 229525.

Thank you,

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
8801 Horizon Blvd NE
Albuquerque, N.M. 87113
CELL NUMBER: 505-930-6717
<http://www.emnrd.state.nm.us/ocd/>

From: Paula M. Vance <PMVance@hollandhart.com>
Sent: Tuesday, June 20, 2023 5:08 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>
Cc: Adam Rankin <AGRankin@hollandhart.com>
Subject: [EXTERNAL] Permian - Solomon Federal Com 105H NSL

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Mr. Lowe,

Permian is no longer seeking NSL approval for the above referenced well (Action Status: 229525) and the application can be withdrawn/canceled. The well location has shifted and it is now within the statewide setbacks for oil wells.

Thank you. Have a wonderful evening.



**Holland
& Hart**

Paula Vance

Associate

HOLLAND & HART LLP

110 North Guadalupe Street, Suite 1, Santa Fe, NM 87501

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055



CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

Revised March 23, 2017

ID NO. 229525

NSL - 8609

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2317132610
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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: Permian Resources Operating, LLC **OGRID Number:** 372165
Well Name: Solomon Federal Com #105H **API:** 30-025-PENDING
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.

Paula M. Vance

Print or Type Name

Signature

June 16, 2023

Date

(505) 954-7286

Phone Number

pmvance@hollandhart.com

e-mail Address



Paula M. Vance
Associate
Phone (505) 954-7286
PMVance@hollandhart.com

June 16, 2023

VIA ONLINE FILING

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

**Re: Permian Resources Operating, LLC
Request for Administrative Approval of Unorthodox Well Location**

Solomon Federal Com #105H well
W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27, Township 24 South, Range 34
East, Lea County, New Mexico
Red Hills; Bone Spring, North (96434)
API No. 30-025-PEDNING

Dear Mr. Fuge:

Permian Resources Operating, LLC ("Permian") (OGRID No. 372165), 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 Red Hills; Bone Spring, North (96434), seeks administrative approval of an unorthodox well location for its **Solomon Federal Com #105H** well (API No. 30-025-PENDING), in a 240-acre, more or less, spacing unit underlying the W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

The location for the **Solomon Federal Com #105H** oil well is as follows:

- Surface hole location: 2,299' FNL and 1,965' FEL (Unit G) of Section 27
- First take point: 2,539' FNL and 1,430' FEL (Unit G) of Section 27
- Last take point: 100' FNL and 1,430' FEL (Unit B) of Section 22
- Bottom hole location: 100' FNL and 1,430' FEL (Unit B) of Section 22

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

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 spacing unit—thus, encroaching on Permian’s Sheba spacing unit/tracts to the east, comprising the E/2 of Section 22 and the E/2 NE/4 of Section 27, T24S-R34E. As explained in the engineering statement included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Permian 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 **Solomon Federal Com #105H** well encroaches on the tracts to the east in the E/2 E/2 of Section 22 and the E/2 NE/4 of Section 27, T24S-R34E.

Exhibit C is a plat for Sections 22 and 27, T24S-R34E, that shows the Solomon Federal Com #105H well in relation to the adjoining spacing unit/tracts to the east. The owner and designated operator of the offsetting unit/tracts is Permian. In addition, the exhibit identifies that this includes federal leases. Accordingly, the “affected persons”¹ are Permian and the Bureau of Land Management (“BLM”).

Exhibit D is a spreadsheet listing all affected persons requiring notice and includes tracking information demonstrating that each of the affected persons requiring notice 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 Permian provided notice:

Type	Affected Party	Location
Working Interest/Operator	Permian Resources Operating, LLC	E/2 of Section 22 and the E/2 NE/4 of Section 27
Mineral Interest	Bureau of Land Management	E/2 NE/4 and the SE/4 SE/4 of Section 22 and the E/2 NE/4 of Section 27

Your attention to this matter is appreciated.

Sincerely,



Paula M. Vance
ATTORNEY FOR PERMIAN RESOURCES
OPERATING, LLC

¹ See NMAC §§ 19.15.2.7.A(8) [defining “affected persons” as, “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).

PERMIAN
RESOURCES300 N. MARIENFELD STREET, SUITE 1000
MIDLAND, TX 79701OFFICE 432.695.4222
FAX 432.695.4063

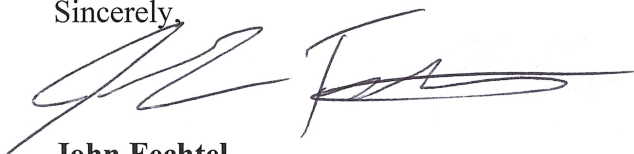
June 13, 2023

Re: Solomon Federal Com #105H well
W/2 E/2 of Section 22 and W2NE of Section 27
Township 21 South, Range 35 East Lea County, New Mexico
API No. 30-025-PENDING

To Whom it May Concern,

Permian Resources Operating, LLC ("Permian") respectfully requests administrative approval on a non-standard location for the Solomon Federal Com #105H to allow the completed interval to be less than 330 feet from the eastern 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, Permian has planned the Solomon Federal Com 105H, Juliet Federal Com 114H, and the Sheba Federal Com 107H wells with at least 1,100 feet of spacing between each well located in the East half of said section. This spacing pattern causes the Solomon Federal Com #105H to be drilled less than 330 feet from the eastern boundary of the spacing unit. Permian requests approval of this non-standard location to avoid causing wasted resources and reducing the production of the wells listed above.

Sincerely,



John Fechtel
Reservoir Manager
Permian Resources Operating, 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

¹ API Number Pending	² Pool Code 96434	³ Pool Name RED HILLS; BONE SPRING, NORTH
⁴ Property Code	⁵ Property Name SOLOMON FEDERAL COM	⁶ Well Number 105H
⁷ OGRID No. 372165	⁸ Operator Name Permian Resources Operating, LLC	⁹ Elevation 3462.5'

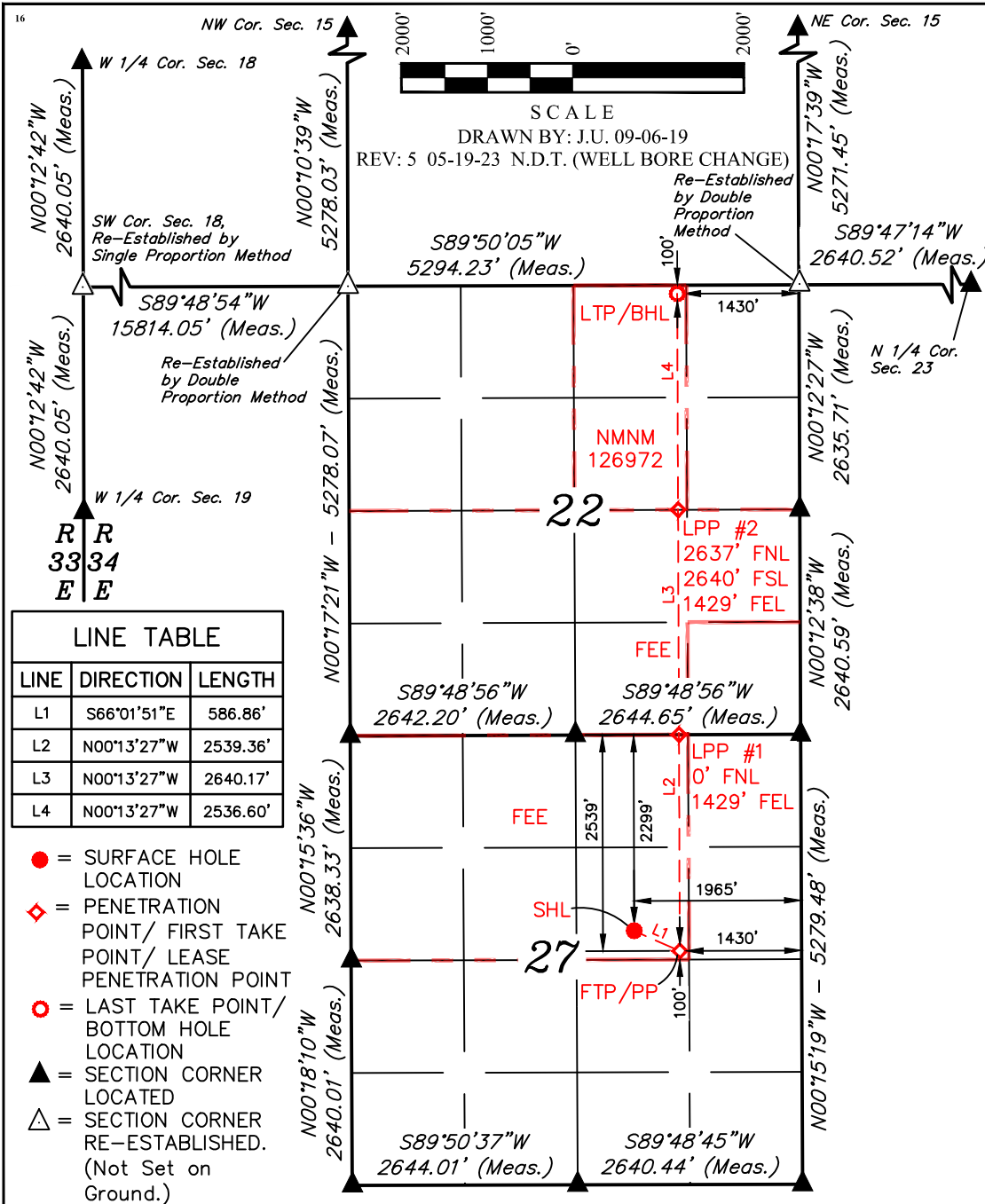
¹⁰ Surface Location

UL or lot no. G	Section 27	Township 24S	Range 34E	Lot Idn	Feet from the 2299	North/South line NORTH	Feet from the 1965	East/West line EAST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. B	Section 22	Township 24S	Range 34E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 1430	East/West line EAST	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.



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S66°01'51"E	586.86'
L2	N00°13'27"W	2539.36'
L3	N00°13'27"W	2640.17'
L4	N00°13'27"W	2536.60'

- = SURFACE HOLE LOCATION
- ◆ = PENETRATION POINT/ FIRST TAKE POINT/ LEASE PENETRATION POINT
- = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

NAD 83 (FTP/PP POINT)
LATITUDE = 32°11'19.69" (32.188802°)
LONGITUDE = -103°27'14.05" (-103.453902°)
NAD 27 (FTP/PP POINT)
LATITUDE = 32°11'19.24" (32.188677°)
LONGITUDE = -103°27'12.35" (-103.453430°)
STATE PLANE NAD 83 (N.M. EAST)
N: 433532.92' E: 813395.33'
STATE PLANE NAD 27 (N.M. EAST)
N: 433474.33' E: 772210.07'

NAD 83 (LPP #1)
LATITUDE = 32°11'44.81" (32.195781°)
LONGITUDE = -103°27'14.04" (-103.453901°)
NAD 27 (LPP #1)
LATITUDE = 32°11'44.36" (32.195656°)
LONGITUDE = -103°27'12.34" (-103.453429°)
STATE PLANE NAD 83 (N.M. EAST)
N: 436071.79' E: 813374.76'
STATE PLANE NAD 27 (N.M. EAST)
N: 436013.13' E: 772189.63'

NAD 83 (LPP #2)
LATITUDE = 32°12'10.93" (32.203036°)
LONGITUDE = -103°27'14.04" (-103.453900°)
NAD 27 (LPP #2)
LATITUDE = 32°12'10.48" (32.202912°)
LONGITUDE = -103°27'12.34" (-103.453428°)
STATE PLANE NAD 83 (N.M. EAST)
N: 438711.45' E: 813353.38'
STATE PLANE NAD 27 (N.M. EAST)
N: 438652.72' E: 772168.38'

NAD 83 (LTP/BHL)
LATITUDE = 32°12'36.03" (32.210008°)
LONGITUDE = -103°27'14.04" (-103.453900°)
NAD 27 (LTP/BHL)
LATITUDE = 32°12'35.58" (32.209883°)
LONGITUDE = -103°27'12.34" (-103.453426°)
STATE PLANE NAD 83 (N.M. EAST)
N: 441247.57' E: 813332.84'
STATE PLANE NAD 27 (N.M. EAST)
N: 441188.78' E: 772147.96'

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.
August 8, 2019

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



Certificate Number: _____

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

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°11'22.07" (32.189463°)
LONGITUDE = -103°27'20.27" (-103.455632°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°11'21.62" (32.189338°)
LONGITUDE = -103°27'18.57" (-103.455160°)
STATE PLANE NAD 83 (N.M. EAST)
N: 433769.04' E: 812858.17'
STATE PLANE NAD 27 (N.M. EAST)
N: 433710.45' E: 771672.94'

EXHIBIT
B

Affected Parties Map

Township 24 South - Range 34 East, Lea County, New Mexico

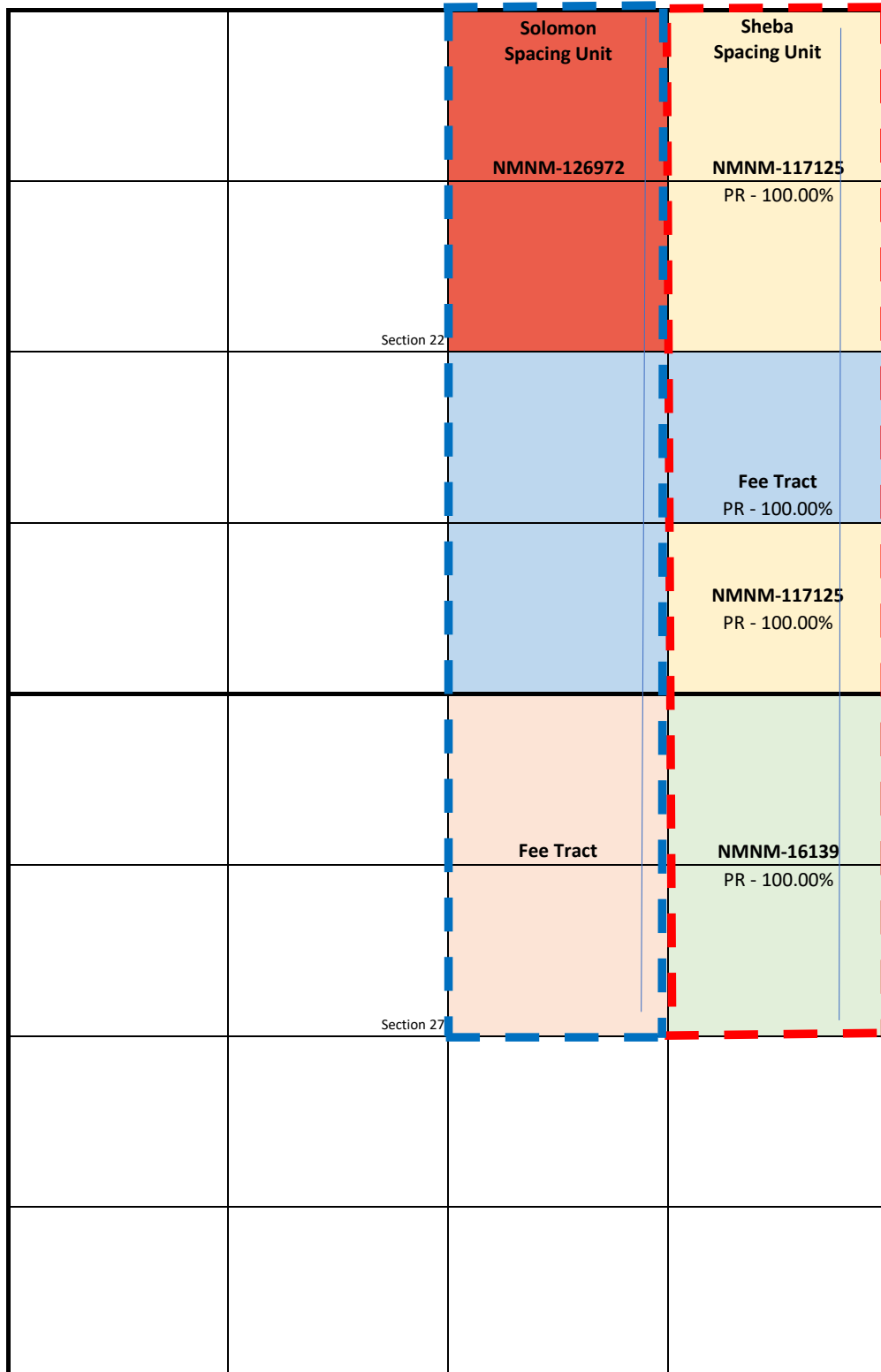


EXHIBIT
C

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5
Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508

EXHIBIT

D



Paula M. Vance
Associate
Phone (505) 954-7286
PMVance@hollandhart.com

June 16, 2023

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Permian Resources Operating, LLC
Request for Administrative Approval of Unorthodox Well Location

Solomon Federal Com #105H well
W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27, Township 24 South, Range 34
East, Lea County, New Mexico
Red Hills; Bone Spring, North (96434)
API No. 30-025-PEDNING

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 the date this application is received by 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:

Chris Astwood
Permian Resources Operating, LLC
Office: (432) 315-0102
Chris.Astwood@permianres.com

Sincerely,

A handwritten signature in blue ink that appears to read 'Paula M. Vance'.

Paula M. Vance
ATTORNEY FOR PERMIAN RESOURCES
OPERATING, LLC

Permian - Solomon Fed Com 105H - NSL
Postal Delivery Report

Tracking Number	Recipient	Status
9214890194038319424803	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	Submitted

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) 476-3470 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 231027

CONDITIONS

Operator: Permian Resources Operating, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 231027
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/21/2023