

Revised March 23, 2017

ID NO. 263258

NSL - 8645

RECEIVED:	REVIEWER:	TYPE:	APP NO: <b>pLEL2325435427</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:** XTO Permian Operating, LLC **OGRID Number:** 373075  
**Well Name:** James Ranch Unit DI 7 Sawtooth 708H **API:** 30-015-PENDING  
**Pool:** Los Medanos; Bone Spring **Pool Code:** 40295

**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

September 7, 2023

Date

505-954-7286

Phone Number

pmvance@hollandhart.com

e-mail Address



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

September 7, 2023

**VIA ONLINE FILING**

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

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

James Ranch Unit DI 7 Sawtooth 708H well  
E/2 E/2 equivalent of irregular Section 6, the E/2 E/2 of Section 7, and the E/2 NE/4 of  
Section 18, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico  
Los Medanos; Bone Spring [40295]  
API No. 30-015-PENDING

Dear Mr. Fuge:

XTO Permian Operating, LLC ("XTO") (OGRID No. 373075), 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 Los Medanos; Bone Spring [40295], seeks administrative approval of an unorthodox well location for its **James Ranch Unit DI 7 Sawtooth 708H** well (API No. 30-015-PENDING), in a 399.98-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 equivalent of irregular Section 6, the E/2 E/2 of Section 7, and the E/2 NE/4 of Section 18, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.

The proposed location for the **James Ranch Unit DI 7 Sawtooth 708H** oil well is as follows:

- Surface hole location: 155' FNL and 1,400' FEL (Lot 2) of irregular Section 6
- First take point: 330' FNL and 110' FEL (Lot 1) of irregular Section 6
- Last take point: 2,540' FNL and 110' FEL (Unit H) of Section 18
- Bottom hole location: 2,590' FNL and 110' FEL (Unit H) of Section 18

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

Since this acreage is governed by the Division's statewide oil rules, the projected interval for this well will be unorthodox because it is closer than the standard offset to the eastern boundary of the spacing unit—thus, encroaching on XTO's proposed spacing unit encompassing the W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17, T23S-R31E.

XTO respectfully requests administrative approval of a non-standard location for the **James Ranch Unit DI 7 Sawtooth 708H** and provides the following reason for the request: Approval of the unorthodox, completed interval is necessary to allow XTO to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

**Exhibit A** is a Form C-102 showing the proposed James Ranch Unit DI 7 Sawtooth 708H well encroaches on the spacing unit/tracts to the east in the W/2 equivalent of irregular Section 5, the W/2 of Section 8, and the NW/4 of Section 17, T23S-R31E.

**Exhibit B** is a plat for the subject area, that shows the proposed James Ranch Unit DI 7 Sawtooth 708H well in relation to the adjoining spacing unit/tracts to the east. The affected spacing unit is owned/operated by XTO, which also includes the following other working interest owners: Camterra Resources Partners, Ltd. and OXY USA Inc. In addition, the exhibit identifies that this includes Bureau of Land Management ("BLM") leases. Accordingly, the "affected persons"<sup>1</sup> are Camterra Resources Partners, Ltd., OXY USA Inc, and BLM. This exhibit also includes a waiver from Camterra Resources Partners, Ltd.

**Exhibit C** 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:

Type	Affected Party	Location
WIO	Camterra Resources Partners, Ltd.	SE/4 NW/4, E/2 SW/4 Section 5 & NW/4 Section 17 T23S-R31E
WIO	OXY USA Inc.	NW/4 Section 17 T23S-R31E
Mineral	BLM	W/2 Sections 5 & 8, & NW/4 Section 17 T23S-R31E

<sup>1</sup> 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).

Your attention to this matter is appreciated.

Sincerely,



Paula M. Vance  
**ATTORNEY FOR XTO PERMIAN OPERATING, 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](http://www.hollandhart.com)

Alaska  
Colorado  
Idaho

Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
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 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

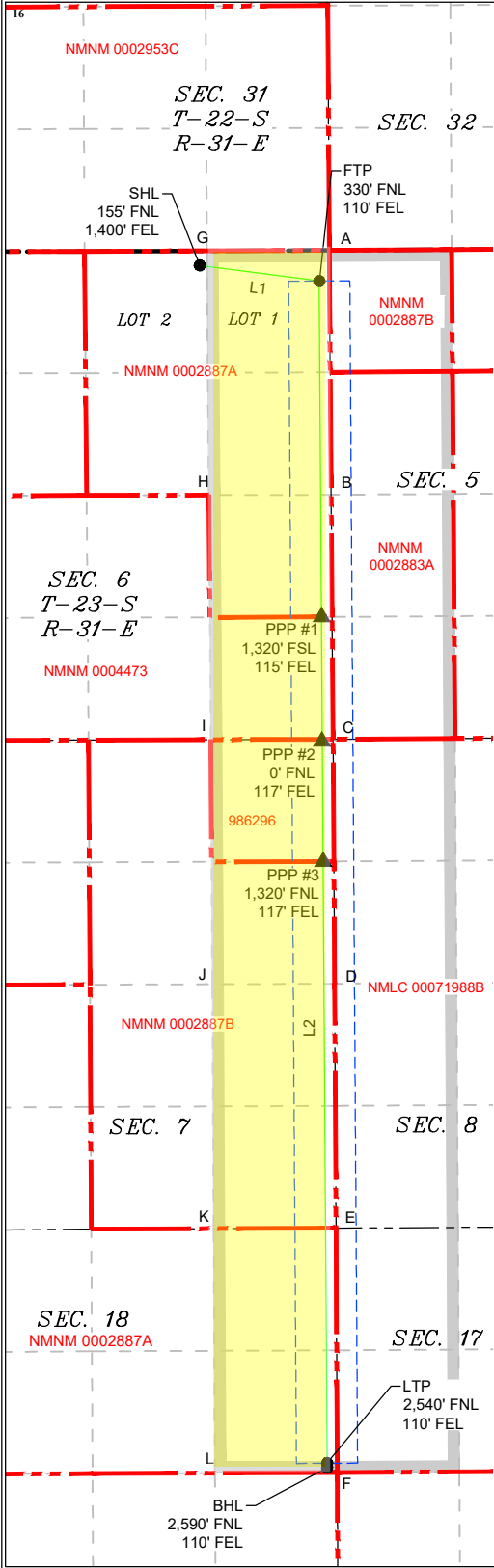
WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-Pending	<sup>2</sup> Pool Code 40295	<sup>3</sup> Pool Name LOS MEDANOS; BONE SPRING
<sup>4</sup> Property Code 333473	<sup>5</sup> Property Name JAMES RANCH UNIT DI 7 SAWTOOTH	<sup>6</sup> Well Number 708H
<sup>7</sup> OGRID No. 373075	<sup>8</sup> Operator Name XTO PERMIAN OPERATING, LLC	<sup>9</sup> Elevation 3,329'

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	6	23 S	31 E		155	NORTH	1,400	EAST	EDDY

<sup>11</sup> Bottom 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
H	18	23 S	31 E		2,590	NORTH	110	EAST	EDDY
<sup>12</sup> Dedicated Acres 399.98	<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.



LINE TABLE		
LINE	AZUMITH	LENGTH
L1	277°27'09"	1,302.67'
L2	179°37'25"	12,818.82'

LOT ACREAGE TABLE	
SECTION 6, T-23-S, R-31-E	
LOT 1 = 39.98 ACRES	
LOT 2 = 39.94 ACRES	

LEGEND	
	SECTION LINE
	WELL BORE
	NEW MEXICO MINERAL LEASE
	330' BUFFER

COORDINATE TABLE		
<b>SHL (NAD 83 NME)</b> Y = 487,932.9 N X = 702,039.4 E LAT. = 32.340326 °N LONG. = 103.812992 °W	<b>FTP (NAD 83 NME)</b> Y = 487,764.0 N X = 703,331.1 E LAT. = 32.339844 °N LONG. = 103.808813 °W	<b>PPP #1 (NAD 83 NME)</b> Y = 484,134.2 N X = 703,354.9 E LAT. = 32.329867 °N LONG. = 103.808793 °W
<b>PPP #2 (NAD 83 NME)</b> Y = 482,814.2 N X = 703,363.6 E LAT. = 32.326238 °N LONG. = 103.808786 °W	<b>PPP #3 (NAD 83 NME)</b> Y = 481,494.2 N X = 703,372.3 E LAT. = 32.322610 °N LONG. = 103.808778 °W	<b>LTP (NAD 83 NME)</b> Y = 474,995.4 N X = 703,415.0 E LAT. = 32.304746 °N LONG. = 103.808743 °W
<b>BHL (NAD 83 NME)</b> Y = 474,945.4 N X = 703,415.3 E LAT. = 32.304608 °N LONG. = 103.808743 °W		
<b>SHL (NAD 27 NME)</b> Y = 487,872.8 N X = 660,857.3 E LAT. = 32.340203 °N LONG. = 103.812501 °W	<b>FTP (NAD 27 NME)</b> Y = 487,703.8 N X = 662,149.9 E LAT. = 32.339721 °N LONG. = 103.808322 °W	<b>PPP #1 (NAD 27 NME)</b> Y = 484,074.2 N X = 662,172.6 E LAT. = 32.329744 °N LONG. = 103.808302 °W
<b>PPP #2 (NAD 27 NME)</b> Y = 482,754.2 N X = 662,181.3 E LAT. = 32.326115 °N LONG. = 103.808295 °W	<b>PPP #3 (NAD 27 NME)</b> Y = 481,434.2 N X = 662,189.9 E LAT. = 32.322487 °N LONG. = 103.808288 °W	<b>LTP (NAD 27 NME)</b> Y = 474,935.6 N X = 662,232.4 E LAT. = 32.304622 °N LONG. = 103.808254 °W
<b>BHL (NAD 27 NME)</b> Y = 474,885.6 N X = 662,232.7 E LAT. = 32.304485 °N LONG. = 103.808254 °W		

CORNER COORDINATES (NAD 83 NME)			
A - Y = 488,094.5 N	A - X = 703,438.4 E	A - Y = 488,034.3 N	A - X = 662,256.3 E
B - Y = 485,454.5 N	B - X = 703,459.5 E	B - Y = 485,394.5 N	B - X = 662,277.2 E
C - Y = 482,814.6 N	C - X = 703,480.5 E	C - Y = 482,754.6 N	C - X = 662,298.2 E
D - Y = 480,174.7 N	D - X = 703,497.4 E	D - Y = 480,114.7 N	D - X = 662,315.0 E
E - Y = 477,535.4 N	E - X = 703,511.6 E	E - Y = 477,475.5 N	E - X = 662,329.0 E
F - Y = 474,895.9 N	F - X = 703,525.5 E	F - Y = 474,836.1 N	F - X = 662,342.9 E
G - Y = 488,088.6 N	G - X = 702,118.7 E	G - Y = 488,028.4 N	G - X = 660,936.5 E
H - Y = 485,450.9 N	H - X = 702,139.9 E	H - Y = 485,390.8 N	H - X = 660,957.7 E
I - Y = 482,810.3 N	I - X = 702,161.2 E	I - Y = 482,750.3 N	I - X = 660,978.9 E
J - Y = 480,169.2 N	J - X = 702,176.8 E	J - Y = 480,109.2 N	J - X = 660,994.4 E
K - Y = 477,530.2 N	K - X = 702,191.0 E	K - Y = 477,470.3 N	K - X = 661,008.5 E
L - Y = 474,890.1 N	L - X = 702,204.9 E	L - Y = 474,830.2 N	L - X = 661,022.3 E

**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.*

**08-02-2023**  
Date of Survey  
Signature and Seal of Professional Surveyor:



EXHIBIT  
A





EXHIBIT  
B



XTO Permian Operating, LLC  
Land Dept. Loc. 115  
22777 Springwoods Village Pkwy  
Spring TX 77389-1425  
346-502-0173 - Direct Phone  
joshua.p.prasatik@exxonmobil.com

Camterra Resources Partners, Ltd.  
3811 Turtle Creek Dr. Ste. 1275  
Dallas, TX 75219  
Attention: Jason Derebery, Land Manager  
email: jderebery@camterra.com

July 31, 2023

Re: Unorthodox Well Waiver Letter  
JRU DI 7 Sawtooth 708H  
Sections 6, 7 and 18, T23S, Range 31E  
Lea County, New Mexico

Dear Mr. Derebery:

XTO Permian Operating, LLC ("XTO") will be submitting an application to the New Mexico Oil Conservation Division ("Division") for an unorthodox well location for its JRU DI 7 Sawtooth Fed Com 708H well, underlying a 399.98-acre, more or less, spacing unit comprised of Lot 1, the SE/4 NE/4, and the E/2 SE/4 of Section 6, the E/2 E/2 of Section 7, and the NE/4 of Section 18, T23S-R31E. The well is planned to be completed within the Los Medanos; Bone Spring Pool (Pool Code 40295). The well will be unorthodox because the lateral will be drilled within 330 feet of the offsetting spacing unit to the east.

XTO also plans to submit an application to the Division for a reciprocal unorthodox well location for its JRU DI 7 Sawtooth Fed Com 908H well, in which your company owns an interest, underlying a 800-acre, more or less, spacing unit comprised on the W/2 of Sections 5 and 8 and the NW/4 of Section 17, T23S-R31E. This well will also be completed in the Los Medanos; Bone Spring Pool (Pool Code 40295) and will be drilled within 330 feet of the offsetting spacing unit to the west.

It is XTO's understanding that your company owns an interest in the adjacent spacing unit to which a non-standard well location is being proposed, making you an affected party. Division Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. To avoid problems or delays with continued drilling and development for the DI 7 prospect we request your waiver of objection to XTO's application for its JRU DI 7 Sawtooth Fed Com 708H well. We respectfully request that you sign this letter and either return by e-mail or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at letterhead phone number.

Sincerely,

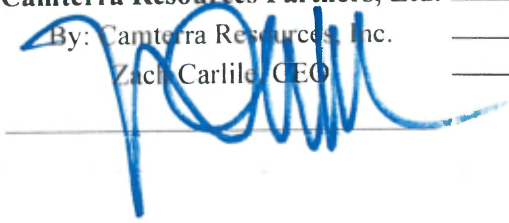
Josh Prasatik, Commercial & Land Advisor

**Camterra Resources Partners, Ltd. agrees to waive objection to XTO's application for an unorthodox well location for the JRU DI 7 Sawtooth 708H well.**

**Camterra Resources Partners, Ltd.** \_\_\_\_\_

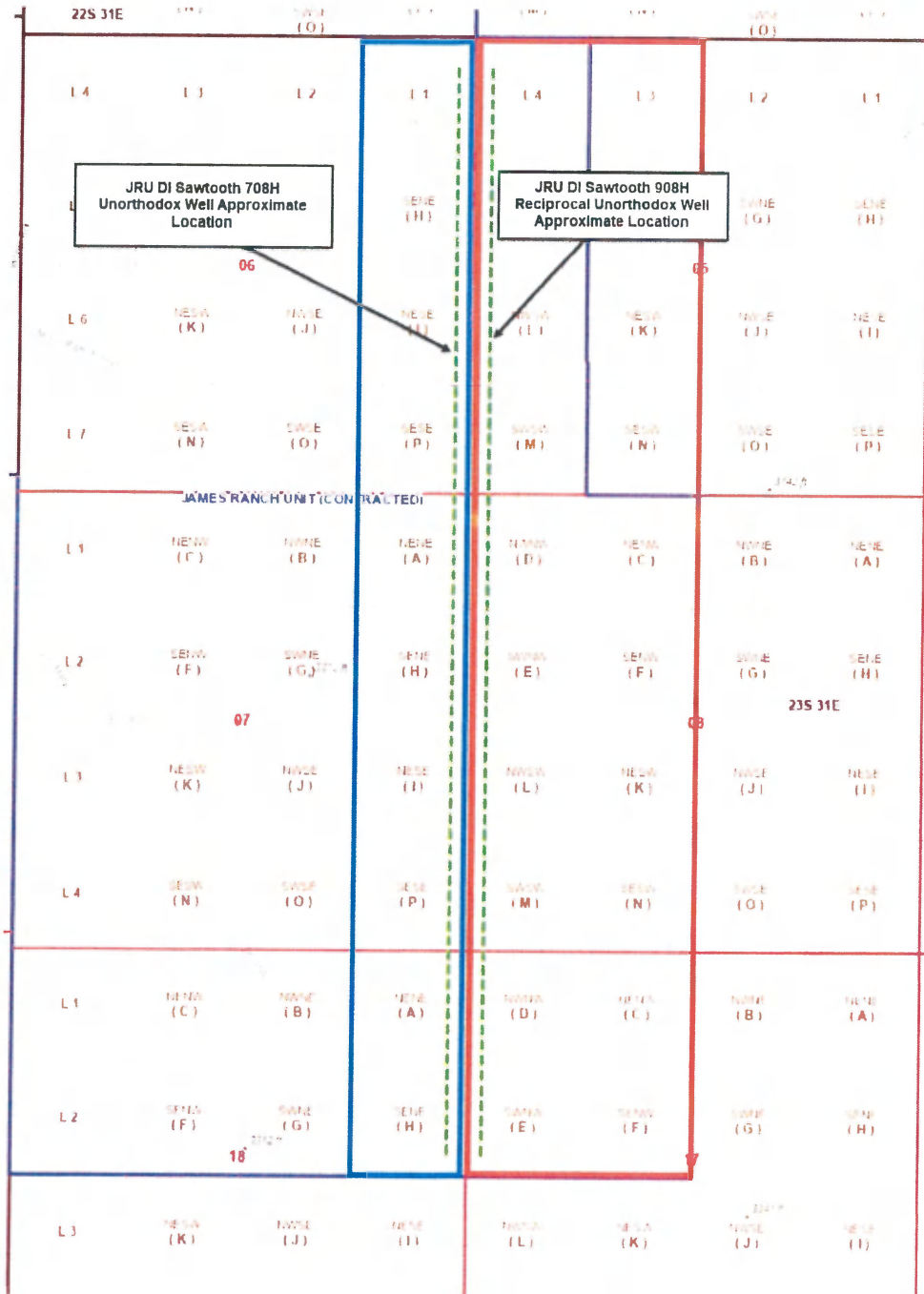
By: Camterra Resources, Inc. \_\_\_\_\_

Zach Carlile, CEO \_\_\_\_\_





**Attached to and made a part of that Unorthodox Well Waiver Letter for XTO's JRU DI 7  
Sawtooth 708H**



XTO - Sawtooth 708H

Notice List

Camterra Resources Partners, Ltd.	2315 E. End Blvd.	Marshall	TX	75670
OXY USA Inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046
BLM	301 Dinosaur Trail	Santa Fe	NM	87508

EXHIBIT

C



**Paula M. Vance**  
**Associate Attorney**  
Phone (505) 988-4421  
Email pmvance@hollandhart.com

September 7, 2023

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

**TO: ALL AFFECTED PERSONS**

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

James Ranch Unit DI 7 Sawtooth 708H well  
E/2 E/2 equivalent of irregular Section 6, the E/2 E/2 of Section 7, and the E/2 NE/4 of  
Section 18, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico  
Los Medanos; Bone Spring [40295]  
API No. 30-015-PENDING

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:

Joshua Prasatik, Commercial & Land Advisor  
XTO Energy, Inc.  
Office: (346) 502-0173  
joshua.p.prasatik@exxonmobil.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

Paula M. Vance  
**ATTORNEY FOR XTO PERMIAN OPERATING, LLC**

XTO - Sawtooth 708H NSL  
Postal Delivery Report

Tracking Number	Recipient	Status
9214890194038329286217 Class: First Class Services: CM RR	Camterra Resources Partners Ltd 2315 E End Blvd Marshall TX 75670	Pending
9214890194038329286224 Class: First Class Services: CM RR	OXY USA Inc 5 Greenway Plaza Suite 110 Houston TX 77046	Pending
9214890194038329286231 Class: First Class Services: CM RR	BLM 301 Dinosaur Trail Santa Fe NM 87508	Pending

**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 263258

CONDITIONS

Operator: XTO PERMIAN OPERATING LLC. 6401 HOLIDAY HILL ROAD MIDLAND, TX 79707	OGRID: 373075
	Action Number: 263258
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/11/2023