

From: [Khalsa, Niranjana](#)
To: [Lee, Jill](#)
Cc: [Gerlach, Rachel](#); [Dean, Katie](#); [Cloer, Ryan](#)
Subject: [EXTERNAL] Bell Lake Comms
Date: Friday, April 26, 2019 12:32:03 PM
Attachments: [image001.png](#)
[Plat Notes - Devon Bell Lake Wells.pdf](#)

Good afternoon Jill,

I have received the two comms that were sent for the Bell Lake 19-18 State Com #7H and & #17H wells, but I will be returning them to you, and initiating the process of having the fees refunded to Devon. This is because the well completions as permitted by the OCD are not communitized well completions. Although the wells are both two mile laterals, and penetrate more than one lease, OCD's permitting of the well completions as two separate completions/proration units in two separate pools means there is no actual comm present in the project, since comms are for spacing/proration units. Each well completion will produce on the lease basis, and OCD will require a down-hole commingling permit for the two permitted pools to be mixed. Please see my attached notes on the plat, showing why these wells are not comms, since the spacing units are separate with two separate pools to be developed.

Please note, if OCD someday consolidates these two pools into a single pool, then the project will require a comm agreement at that time. I do not know why they have the Triple X Bone Spring Pool in one section, and a Wildcat Bone Spring pool in the next section over, but until they change one of them, the well completions will produce and allocate on the regular lease basis.

Rachel, Katie and Ryan - I've included you since I've dealt with all of you on comms, and wanted to make you aware of this particular situation, in case it comes up again for you all.

Please let me know if you have any questions, I know it's a rather strange case.

Thanks,

Niranjana

Niranjana Khalsa
Petroleum Specialist Supervisor/Geologist
Oil, Gas & Minerals Division
505-827-6628
New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87502
or
PO Box 1148
Santa Fe, NM 87504-1148
nkhalsa@slo.state.nm.us
www.nmstatelands.org

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail

messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

This email has been scanned by the Symantec Email [Security.cloud](#) service.
For more information please visit <http://www.symanteccloud.com>
