

NSL Initial Application

Received: 08/13/20

P.O. No. KRIHI-200813-NSL000

RECEIVED: 08/13/20	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2022746001
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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: COLLIE 35-34-22-27 FEE #402H **API:** 30-015-47294
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.

8/11/2020

Date

Dana Thompson

Print or Type Name

539.573.3588

Phone Number

Signature

dana.thompson@wpxenergy.com

e-mail Address



August 13, 2020

VIA ONLINE FILING

Director Adrienne Sandoval
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for administrative approval of an unorthodox well location for the **COLLIE 35-34-22-27 FEE #402H**; API 30-15-47294; located in the N2 of Sections 34 and 35, T22S R27E, N.M.P.M., Eddy County, New Mexico

Dear Director Sandoval:

WPX Energy Permian, LLC ("WPX"), hereby requests administrative approval of an unorthodox location for the **COLLIE 35-34-22-27 FEE #402H** (API 30-15-47294) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the N2 of Sections 34 and 35, Township 22S, Range 27E, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a surface location of 1,369 feet from the north line and 359 feet from the east line (Unit A) of Section 35 to a bottom hole location of 330 feet from the north line and 50 feet from the west line (Unit D) of section 34. The **first take point** will be located 330 feet from the east line and 330 feet from the north line (Unit A) of Section 35, and the **last take point** will be 100 feet from the west line and 330 feet from the north line (Unit D) of Section 34.

Pursuant to Division Order R-14262, this acreage is governed by the Special Rules for the Purple Sage; Wolfcamp (Gas) Pool which provide for wells in the Wolfcamp formation in Eddy County to be located no closer than 330 feet to the outer boundary of the spacing unit. The completed interval for the **COLLIE 35-34-22-27 FEE #402H** will be unorthodox because it is closer than 330 feet to the western boundary of the spacing unit in Section 34. Approval of the unorthodox completed interval will allow WPX to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **COLLIE 35-34-22-27 FEE #402H** well encroaches on the drilling and spacing unit to the west in Section 33, Township 22S, Range 27E.

Exhibit B is a land plat for Sections 34 and 35 that shows the proposed **COLLIE 35-34-22-27 FEE #402H** in relation to the adjoining spacing unit to the west in Section 33, Township 22S, Range 27E.

Ownership is diverse between the subject spacing unit and the spacing unit to the west.



Exhibit C reflects that a copy of this application with all attachments has been sent by certified mail to each affected person advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Exhibit D is a statement from WPX's petroleum engineer confirming that that WPX's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink that reads "Dana Thompson". The signature is fluid and cursive, with the first name "Dana" and last name "Thompson" clearly distinguishable.

Dana Thompson
Regulatory Analyst II

Enclosures as stated

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazon Road, Artec, NM 87410
District IV
1220 S. St Francis Dr., 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	² Pool Code 98220	³ Pool Name PURPLE SAGE WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name COLLIE 35-34-22-27 FEE	⁶ Well Number #402H
⁷ OGRID No. 246289	⁸ Operator Name WPX ENERGY PERMIAN, LLC	⁹ Elevation 3078.2'

¹⁰ Surface Location

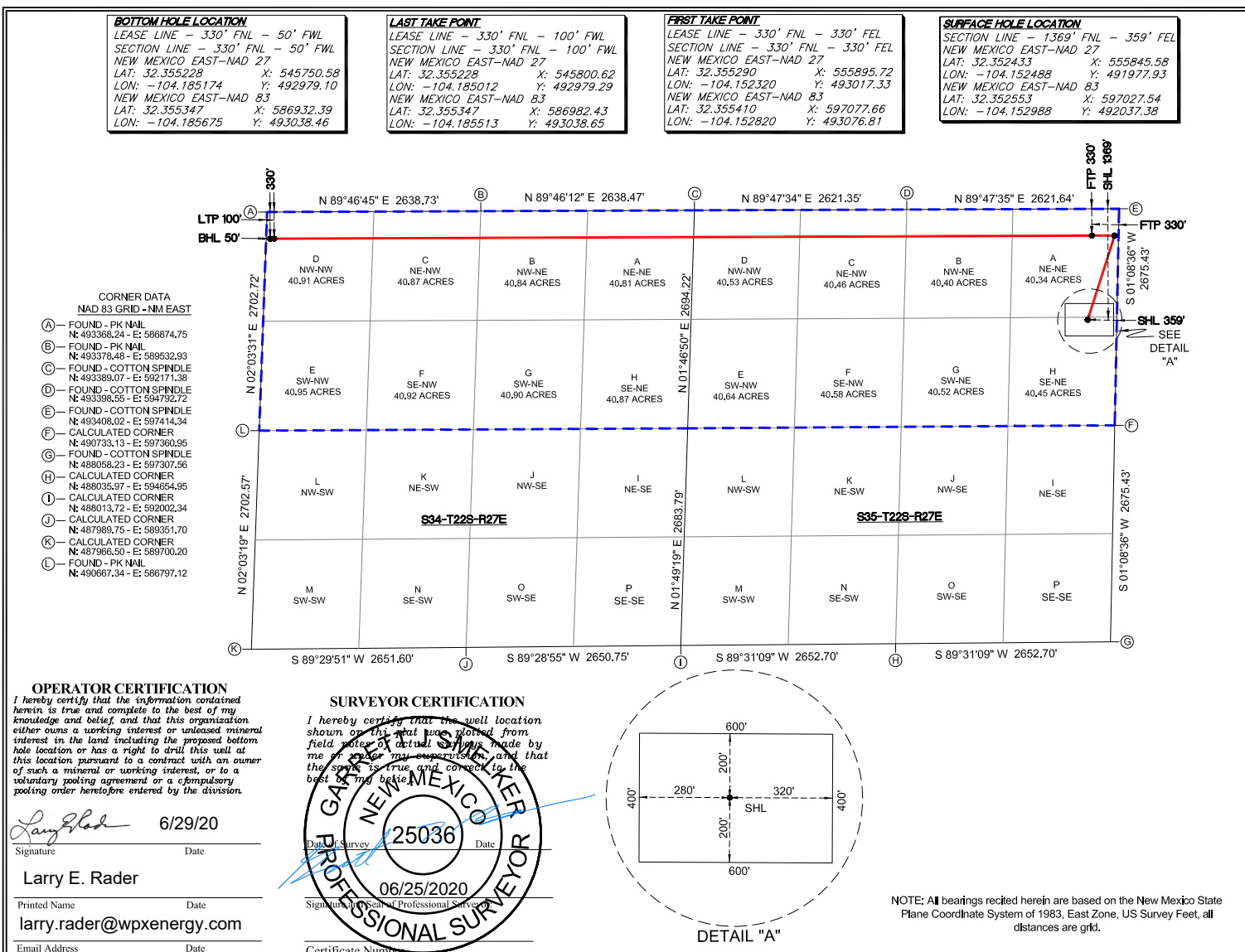
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	22 S	27 E		1369'	NORTH	359'	EAST	EDDY

¹¹ 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
D	34	22 S	27 E		330'	NORTH	50'	WEST	EDDY

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.





Date: 8/13/2020
 Map Scale (at 8.5" x 11"):
 Created By: joresley
 3800 One Williams Center
 Tulsa, OK 74172

WPXENERGY.

Projection: GCS North American 1927

Affected Tract Map

- Laterals
- Offset Operator
- Spacing Unit

0 0.2 0.4 0.8 1.2 1.6 Miles





August 13, 2020

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Marathon Oil Permian, LLC
5555 San Felipe St.
Houston, TX 77056

Re: Application for administrative approval of an unorthodox well location for the **COLLIE 35-34-22-27 FEE #402H**; API 30-15-47294; located in the N2 of Sections 34 and 35, T22S 27E, N.M.P.M., Eddy County, New Mexico

To Whom It May Concern:

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 (20) days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 875050. 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 directly at (539) 573-3588 or you may email me at dana.thompson@wpxenergy.com.

It would be greatly appreciated, if you have no objections to the application, that you signify waiving the twenty-day period by signing below and then emailing a scanned copy to the above-mentioned email.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dana Thompson". The signature is fluid and cursive, written over a horizontal line.

Dana Thompson
Regulatory Analyst II

I hereby waive the twenty-day period in which to file an objection to the above-referenced application.

Name

Title

Date

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$


Total Postage and Fees \$

Sent To Marathon

Street and Apt. No., or PO Box No. Collie 401 + 402

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete Items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Marathon Oil Permian, LLC 5555 San Felipe St. Houston, TX 77056</p> <p> 9590 9402 4974 9063 8121 26</p> <p>2. Article Number (Transfer from service label)</p> <p>7019 0140 0000 5975 3203</p>	<p>A. Signature</p> <p><u>X</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> all Restricted Delivery</p>

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt



August 11, 2020

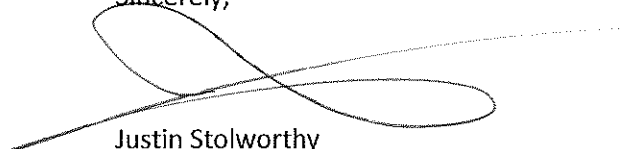
Director Adrienne Sandoval
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for administrative approval of unorthodox well locations
COLLIE 35-34-22-27 FEE #402H; API 30-015-47294
COLLIE 35-34-22-27 FEE #401H; API 30-015-45643
N2 of Sections 34 and 35, T22S 27E, N.M.P.M., Eddy County, New Mexico

Dear Director Sandoval:

WPX Energy Permian, LLC ("WPX"), hereby requests administrative approval of an unorthodox location for the above referenced wells by decreasing the last take point(s) from 330 feet to 100 feet from the horizontal plane outer boundary. The wells are in the Purple Sage; Wolfcamp Gas pool (98220). It is WPX's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take point will increase the wells effective lateral length by 230 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,



Justin Stolworthy
Reservoir Engineer