

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- 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

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or E Does Not Apply**

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
[B] ☐ Offset Operators, Leaseholders or Surface Owner  
[C] ☐ Application is One Which Requires Published Legal Notice  
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
[F] ☐ Waivers are Attached

**[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] 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.

Heather Riley  
Print or Type Name

Signature

Regulatory Team Lead  
Title

2/11/2014  
Date

Heather.riley@wpenergy.com  
e-mail Address

Chaco 2306-20L #206H

7016  
- WSL  
- WPX Energy Production  
LLC  
120782  
RECEIVED OGD  
12014 FEB 12 P 2:45  
well  
Chaco 2306-20L  
# 206H  
30-043 - Pending  
Pool (?)  
Lybrook  
Gallup  
42289



***Sent via Overnight Delivery***

February 11, 2014

Jami Bailey  
Division Director  
NEW MEXICO OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

*Re: Request for Administrative Approval for Non-Standard Lybrook Gallup Lateral  
Chaco 2306-20L #206H  
API#: Not yet assigned  
Sec. 19, T23N, R6W*

Dear Ms. Bailey:

WPX Energy Production, LLC ("WPX"), pursuant to the provisions of Division Rule 19.15.15.13, hereby seeks administrative approval of an unorthodox location for the Lybrook Gallup (42289) formation in the Chaco 2306-20L #206H. This is a horizontal well with a surface location of 2133' FSL and 158' FWL, Section 20, T23N, R6W and an end of lateral location of 2374' FNL & 230' FWL, Section 19, T23N, R6W. See attached plat.

This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. Initially the Lybrook Gallup Pool was set up with Special Pool Rules under Order No. R-2267 but these rules were later abolished with Order No. R-2267-B. The new Special Rules for Horizontal Wells under Division Rule 19.15.16.15(B)(3) also apply and state no internal setbacks are required within a project area. Given these setback requirements, the producing interval in the lateral is encroaching the N/2 of the S/2 of Section 19, T23N R6W in that it is approximately 204' from the unit boundary.

The spacing for the subject well is the S/2 of the N/2 of section 19 consisting of 4 consecutive parcels containing 40 acres more or less and totaling 160.90 acres. The spacing unit being encroached upon is the N/2 of the S/2 of Section 19 also consisting of 4 consecutive parcels containing 160.94 acres. All of Section 19 is operated by WPX and ownership is 100% WPX therefore no affected owner letters are required pursuant to NMOCD rules.



Please note that the maximum perforation range for the lateral will from 6,086' MD to 10,678' MD which are legal as to the east and west lines.

**EAST LINE EXPLANATION:** Referring to the plat, the Point of Entry is at 380' from the east line of Section 19 which correlates with approximately 6,084' MD. The top perforation is at 6,086' which is 2' past the Point of Entry so the distance from the east line for the perforation is 382'.

**WEST LINE EXPLANATION:** Our end of lateral is shown at 230' from the west line, which correlates to 10,779 MD. The deepest perforation would be the lower port in a RSI tool which would be set no deeper than 10,678' which correlates to 331' from the west line.

Should you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Heather Riley". The signature is fluid and cursive, with the first name being more prominent.

Heather Riley  
Regulatory Team Lead

Enc.: C-102

District I  
1625 N. French Drive, Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

District II  
811 S. First Street, 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 Drive, Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to  
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive  
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code 42289	*Pool Name LYBROOK GALLUP
*Property Code	*Property Name CHACO 2306-20L	*Well Number 206H
*GRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC	*Elevation 7038'

10 Surface Location

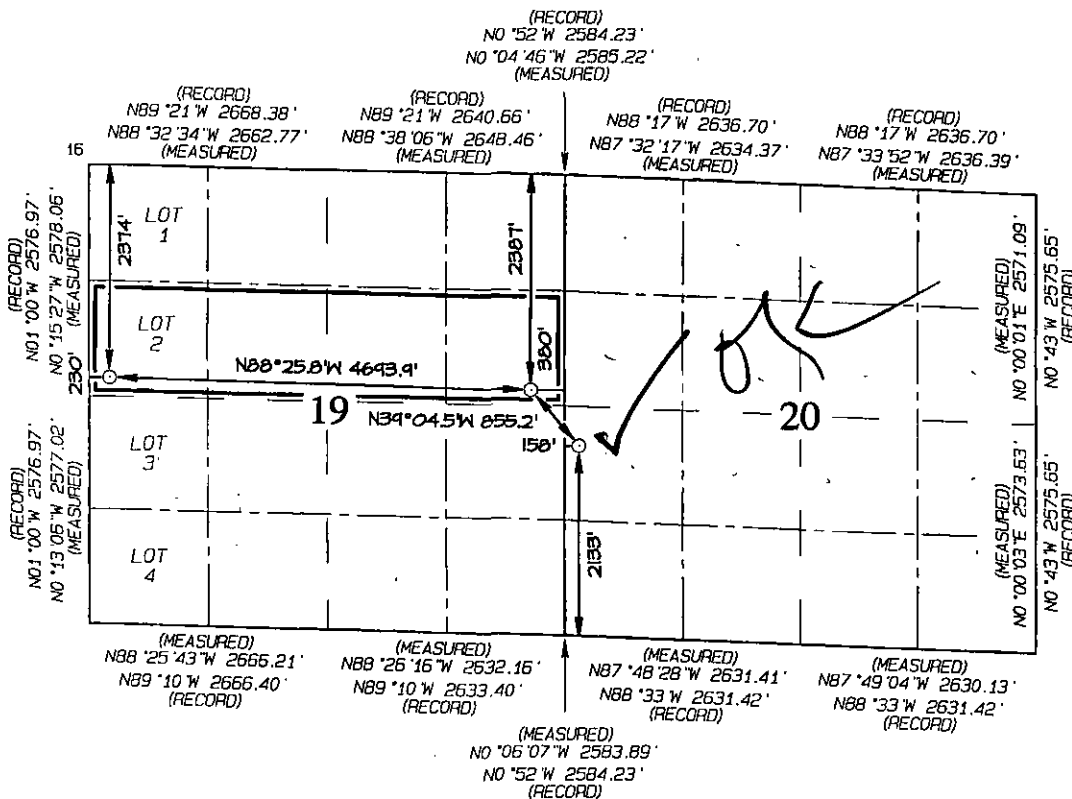
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	23N	6W		2133	SOUTH	158	WEST	SANDOVAL

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
E	19	23N	6W	2	2374	NORTH	230	WEST	SANDOVAL

12 Dedicated Acres 160.90 Acres S/2 N/2 - Section 19	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



END-OF-LATERAL  
2374' FNL 230' FWL  
SECTION 19, T23N, R6W  
LAT: 36.21166°N  
LONG: 107.51695°W  
DATUM: NAD1927

POINT-OF-ENTRY  
2387' FNL 380' FEL  
SECTION 19, T23N, R6W  
LAT: 36.21148°N  
LONG: 107.50104°W  
DATUM: NAD1927

SURFACE LOCATION  
2133' FSL 158' FWL  
SECTION 20, T23N, R6W  
LAT: 36.20967°N  
LONG: 107.49919°W  
DATUM: NAD1927

LAT: 36.21168°N  
LONG: 107.51756°W  
DATUM: NAD1983

LAT: 36.21149°N  
LONG: 107.50165°W  
DATUM: NAD1983

LAT: 36.20968°N  
LONG: 107.49979°W  
DATUM: NAD1983

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.

1/22/14

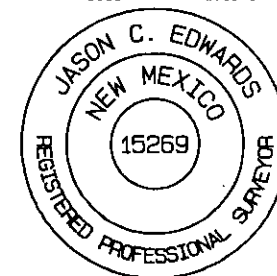
Signature \_\_\_\_\_ Date \_\_\_\_\_  
Larry Higgins  
Printed Name  
larry.higgins@wpxenergy.com  
E-mail Address

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.

Date Revised: JANUARY 17, 2014  
Date of Survey: AUGUST 21, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269



# WPX Energy

## Rev 0

**PATHFINDER**  
A Schlumberger Company

Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2306-20L #206H	NM Sandoval County NAD27	Sec 20-23N-6W

Gravity & Magnetic Parameters		Surface Location	NAD27 New Mexico State Plane, Central Zone, US Feet		Miscellaneous
Model: BGGM 2013 Dip: 63.001°	Date: 08-Jan-2014	Lat: N 36 12 34.81	North: 1897903.139	Grid Conv: -0.738°	Slot: Chaco 2306-20L #206H
MagDec: 9.451°	FS: 50145.597nT	Lon: W 107 29 57.08	Easting: 131474.356	Scale Fact: 1.0005541	TVD Ref: RKB(7052ft above MSL)
Gravity FS: 986.484mgN (9.80665 Based)					Plan: Chaco 2306-20L #206H R0 mdy 08Jan14

## Proposal

