

6-2-2017 DATE IN	SUSPENSE	ENGINEER LRL	6-5-2017 LOGGED IN	TYPE NSP	APP NO. <del>XXXXXXXXXX</del>
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CEL1719133916

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



NSP-2067

### 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 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.

<u>James Bruce</u>	<u>James Bruce</u>	<u>Attorney</u>	<u>5/31/17</u>
Print or Type Name	Signature	Title	Date
		<u>jamesbruce@aol.com</u>	
		e-mail Address	

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

May 31, 2017

Michael McMillan  
Leonard Lowe  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Gentlemen:

Caza Operating, LLC applies for approval two non-standard project areas in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) for the following units and wells:

1. The SW/4 of Section 22 and the W/2 of Section of Section 27, Township 23 South, Range 27 East, N.M.P.M., Eddy County. The Forehand Ranch 22 State Well Nos. 7H, 8H, and 9H will be dedicated to the project area. Forms C-102 for the wells are attached as Exhibit A.
2. The SE/4 of Section 22 and the E/2 of Section of Section 27, Township 23 South, Range 27 East, N.M.P.M., Eddy County. The Forehand Ranch 22 Fed. Com. Well No. 6H will be dedicated to the project area. A Form C-102 for the well is attached as Exhibit B.

The non-standard project areas are requested in order to maximize the length of the laterals in the wells, to make them more economic.

The Offset operators or working interest owners are as follows:

Section 21  
Chevron U.S.A. Inc.

~~7H, 8H, 9H~~

~~NSP-2066~~

N/2 Section 22  
Chevron U.S.A. Inc.  
Section 23

~~7H, 8H, 9H~~

Section 23

MRC Permian Company  
RKI Exploration & Production, LLC

~~TH, 8H, 9H~~

W/2 Section 26

COG Operating LLC

~~TH, 8H, 9H~~

W/2 Section 35

Matador Production Company

6H

NSP-2067

Section 34

Chevron U.S.A. Inc.  
Devon Energy Production Company, L.P.

6H

Section 33

Chevron U.S.A. Inc.  
Devon Energy Production Company, L.P.

6H

Section 28

Mewbourne Oil Company

6H

Notice was given to the offsets by the letter marked as Exhibit C.

Please contact me if you need any further information on this application.

Very truly yours,

  
James Bruce

Attorney for Caza Operating, LLC

**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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

**X** AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

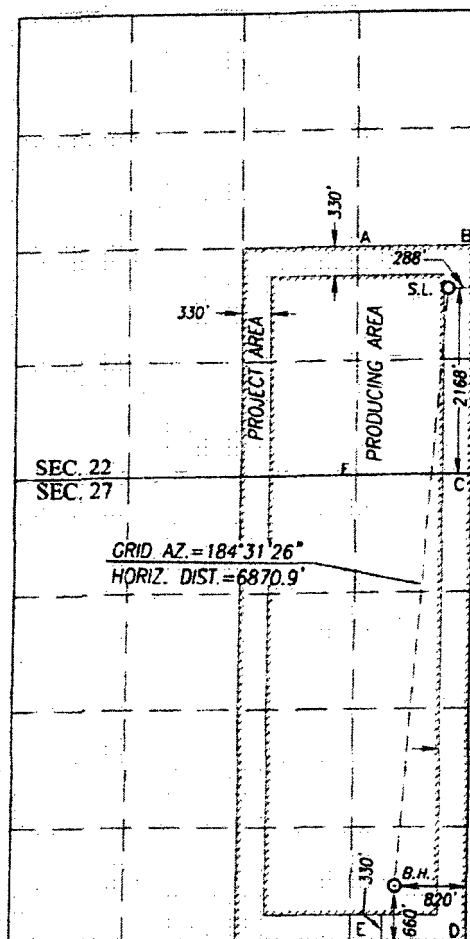
API Number <b>30-015-43720</b>		Pool Code <b>98220</b>	Pool Name <b>Purple Sage; Wolfcamp</b>
Property Code <b>316111</b>	Property Name <b>Forehand 22 Federal Com</b>		Well Number <b>6H</b>
OGRID No. <b>249099</b>	Operator Name <b>CAZA OPERATING, LLC</b>		Elevation <b>3143'</b>

Surface Location									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>I</b>	<b>22</b>	<b>23-S</b>	<b>27-E</b>		<b>2168</b>	<b>SOUTH</b>	<b>288</b>	<b>EAST</b>	<b>EDDY</b>

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
<b>P</b>	<b>27</b>	<b>23-S</b>	<b>27-E</b>		<b>660</b>	<b>SOUTH</b>	<b>820</b>	<b>EAST</b>	<b>EDDY</b>

Dedicated Acres <b>480</b>	Joint or Infill	Consolidation Code	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



**GEODETTIC COORDINATES**  
**SURFACE LOCATION**  
NAD 83 NME  
Y = 469034.6 N  
X = 591678.2 E  
LAT. = 32.289345° N  
LONG. = 104.170424° W

**GEODETTIC COORDINATES**  
**SURFACE LOCATION**  
NAD 27 NME  
Y = 468975.8 N  
X = 550495.8 E  
LAT. = 32.289225° N  
LONG. = 104.169926° W

**CORNER COORDINATES TABLE**

NAD 27 NME

A - Y = 469440.1 N, X = 549470.5 E  
B - Y = 469470.1 N, X = 550784.5 E  
C - Y = 466813.9 N, X = 550780.2 E  
D - Y = 461480.4 N, X = 550772.7 E  
E - Y = 461460.8 N, X = 549453.0 E  
F - Y = 466785.2 N, X = 549466.6 E

**CORNER COORDINATES TABLE**

NAD 83 NME

A - Y = 469498.9 N, X = 590652.9 E  
B - Y = 469528.9 N, X = 591966.9 E  
C - Y = 466872.8 N, X = 591962.6 E  
D - Y = 461539.0 N, X = 591955.3 E  
E - Y = 461519.4 N, X = 590635.5 E  
F - Y = 466844.0 N, X = 590649.1 E

**BOTTOM HOLE LOCATION**

NAD 83 NME

Y = 462186.7 N  
X = 591136.4 E  
LAT. = 32.270523° N  
LONG. = 104.172211° W

**BOTTOM HOLE LOCATION**

NAD 27 NME

Y = 462128.1 N  
X = 549953.8 E  
LAT. = 32.270404° N  
LONG. = 104.171713° W

**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*[Signature]* **03/23/2017**  
Signature Date

**Steve Morris**

Printed Name

**steve.morris@mojoenergy.com**

E-mail Address

**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.

**JANUARY 28, 2015**

Date of Survey

Signature & Seal of Professional Surveyor

*[Signature]*  
Certificate Number **Gary G. Eidson 12641**  
**Ronald J. Eidson 3239**

ACK REV: 2/01/17 REL W.O.: 15.13.0309 JWSC W.O.: 15.13.0357

**JAMES BRUCE**  
ATTORNEY AT LAW

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[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

May 31, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

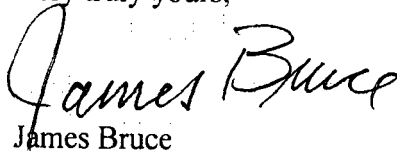
To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for two non-standard project areas filed with the New Mexico Oil Conservation Division by Caza Petroleum, LLC, regarding Wolfcamp wells in (i) the SW¼ of Section 22 and the W½ of Section 27, and (ii) the SE¼ of Section 22 and the E½ of Section 27, both in Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

You are **an offset operator or interest owner** to one or both project areas. If you object to the project areas you must notify the Division within 20 days of your receipt of this letter. The Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You must also notify the undersigned of any objection. Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,

  
James Bruce

Attorney for Caza Petroleum, LLC

EXHIBIT

C

EXHIBIT A

Chevron U.S.A. Inc.  
6301 Deauville Boulevard  
Midland, Texas 79706

RKI Exploration & Production, LLC  
3500 One Williams Center  
Tulsa, Oklahoma 74172

Matador Production Company  
MRC Permian Company  
Suite 1500  
5400 LBJ Freeway  
Dallas, Texas 75240

COG Operating LLC  
600 West Illinois  
Midland, Texas 79701

Mewbourne Oil Company  
Suite 1020  
500 West Texas  
Midland, Texas 79701

BC Operating, Inc.  
Nadel and Gussman Permian, L.L.C.  
P.O. Box 50820  
Midland, Texas 79710

Mobil Producing Texas & New Mexico Inc.  
c/o XTO Energy Inc.  
810 Houston Street  
Fort Worth, Texas 76102

Devon Energy Production Company, L.P.  
P.O. Box 3198  
Oklahoma City, Oklahoma 73101-3198