

DATE IN 8/11/17	SUSPENSE	ENGINEER LRL	LOGGED IN 8/11/17	TYPE NSL	APP NO. PKSC1721238541
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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] NSL-7506

[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.

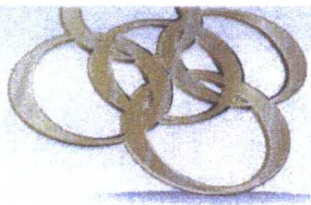
Melanie J. Wilson
 Print or Type Name

Signature

Agent
 Title

08/11/2017
 Date

Mjp1692@gmail.com
 e-mail Address



STEWARD

ENERGY II

August 11, 2017

Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Unorthodox Well Location
Pinkman Fee #1H API No. 30-025-43910
SHL: 2346' FSL & 702' FEL, Section 23-T14S-R38E
Proposed FTP: 2310' FNL & 75' FEL, Section 23-T14S-R38E
BHL: 330' FNL & 75' FEL, Section 14-T14S-R38E
Proposed LTP: 330' FNL & 75' FEL, Section 14-T14S-R38E
Lea County, New Mexico

Dear Mr. Lowe,

Pursuant to Division Rule 19.15.15.13, Steward Energy II, LLC (Steward Energy) respectfully requests administrative approval of an unorthodox oil well location for its Pinkman Fee #1H well. The producing interval of this well does not meet the 330' from the outer boundary of the project area requirement. Attached is a form C-102 showing the project area and the producing area of this well.

Steward Energy is seeking approval of the unorthodox location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of this unorthodox completed interval for the Pinkman Fee #1H well will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tracts are tracts to the east of the project area. Texas borders the project area on the eastern side. All affected offset tracts are in Texas, therefore no notice to offset operators is required.

Thank you for your consideration of this application. Should you have questions or require further information, please contact me at 575-914-1461 or by email at mjp1692@gmail.com.

Sincerely,

Melanie J. Wilson
Agent for Steward Energy II, LLC

Enclosures

cc: Hobbs OCD

* 8.15.17

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., Sante 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.
Sante 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 30-025-43910	² Pool Code 7500	³ Pool Name BRONCO; SAN ANDRES, SOUTH
⁴ Property Code 317406	⁵ Property Name PINKMAN FEE	⁶ Well Number 1H
⁷ OGRID No. 371682	⁸ Operator Name STEWART ENERGY II, LLC	⁹ Elevation 3753'

Surface Location

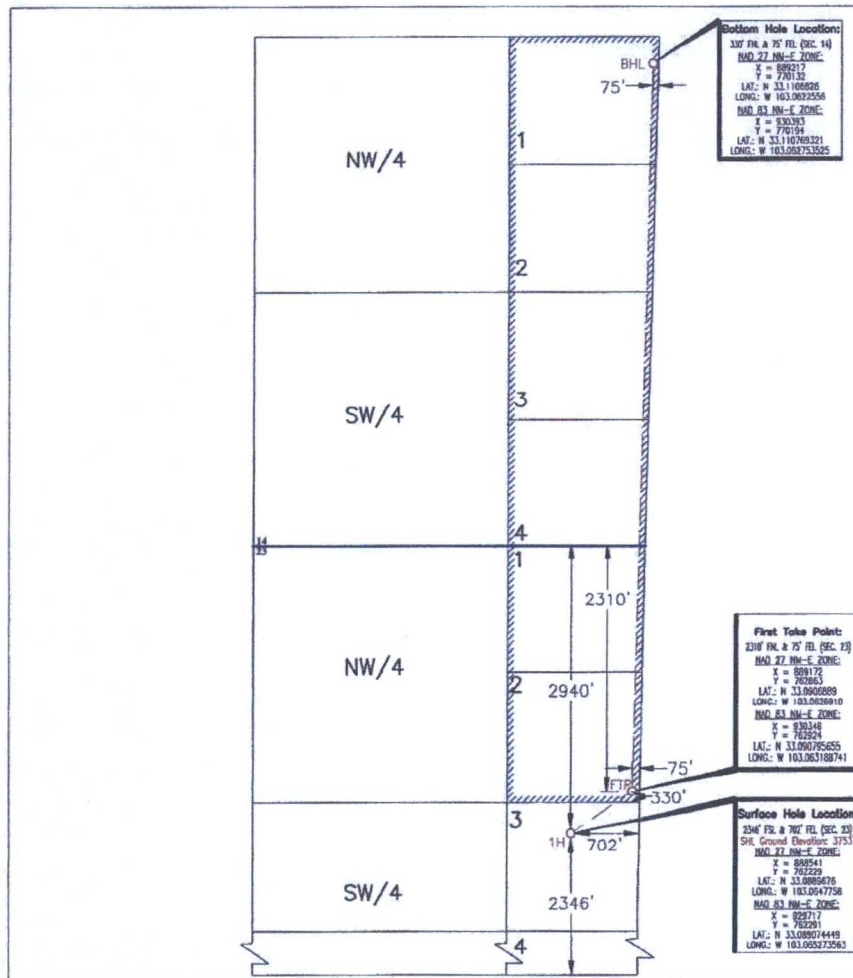
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	23	14-S	38-E	-	2346'	SOUTH	702'	EAST	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	14	14-S	38-E	-	330'	NORTH	75'	EAST	LEA

¹² Dedicated Acres 273.11	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.

¹⁷OPERATOR 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 undivided 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.

Melanie J. Wilson 08/11/2017
Signature Date

Melanie J. Wilson

Printed Name

mjp1692@gmail.com

E-mail Address

¹⁸SURVEYOR CERTIFICATION

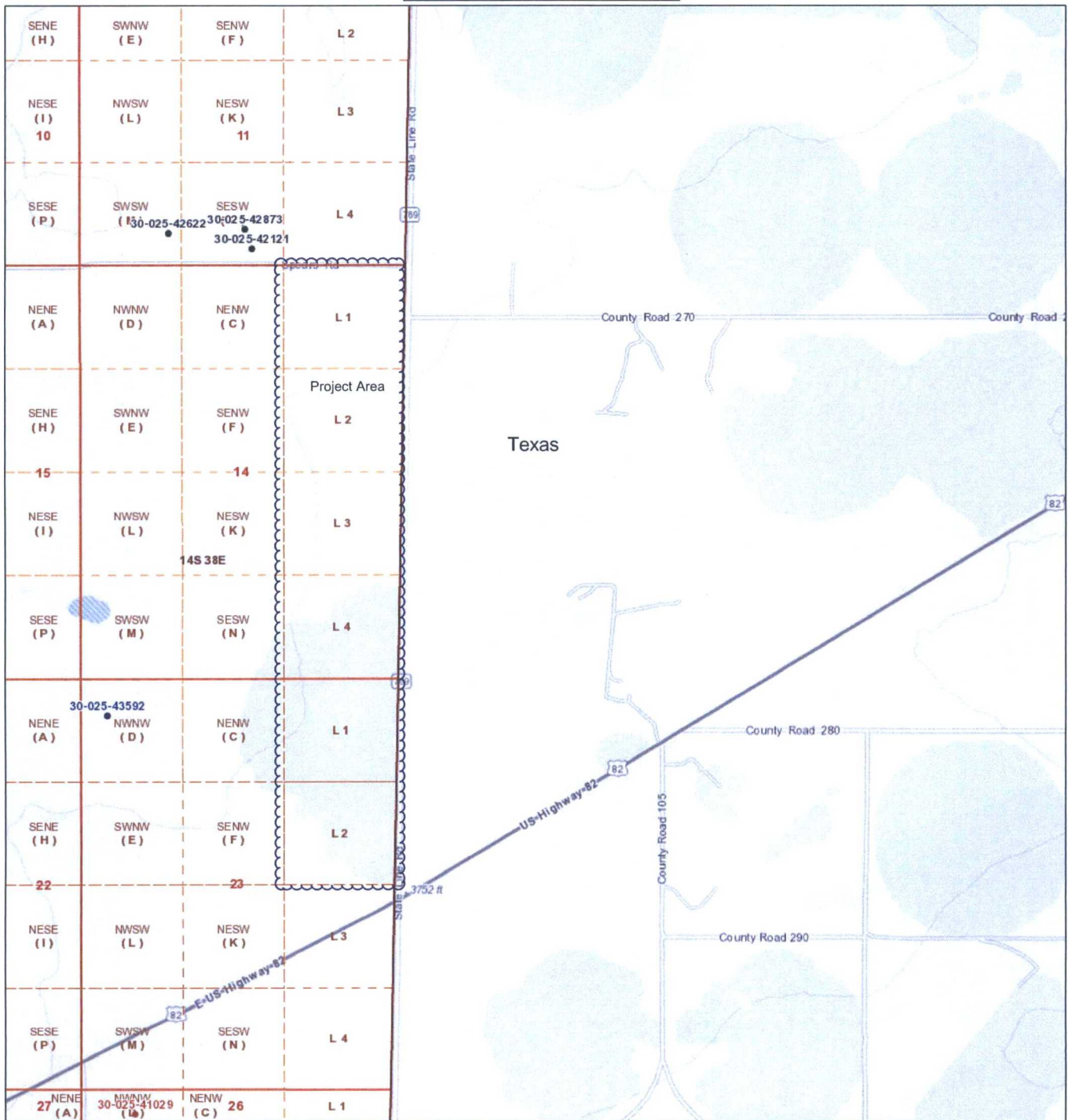
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 05-15-2017
Signature and Seal of Professional Surveyor

08/08/17
STAN W. LLOYD
NEW MEXICO
19642
Stan W. Lloyd, P.S. No. 19642

Steward Energy II, LLC
Pinkman Fee #1H

8/13/17

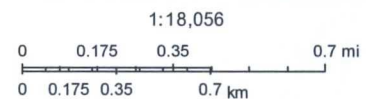


July 31, 2017

Well Locations - Large Scale

- + <all other values>
- + Miscellaneous
- + CO2 Active
- + CO2 Cancelled
- + CO2 New
- + CO2, Plugged
- + CO2, Temporarily Abandoned
- + Gas Active
- + Gas, Cancelled, Never Drilled
- + Gas, New
- + Gas, Plugged
- + Gas, Temporarily Abandoned

- + Injection, Active
- + Injection, Cancelled
- + Injection, New
- + Injection, Plugged
- + Injection, Temporarily Abandoned
- + Oil, Active
- + Oil, Cancelled
- + Oil, New
- + Oil, Plugged
- + Oil, Temporarily Abandoned
- + Salt Water Injection, Active
- + Salt Water Injection, Cancelled
- + Salt Water Injection, New
- + Salt Water Injection, Plugged
- + Salt Water Injection Temporarily Abandoned
- + Water, Active
- + Water, Cancelled
- + Water, New
- + Water, Plugged
- + Water, Temporarily Abandoned
- + OCD District Offices
- + PLSS Township
- + PLSS Second Division_WMAS84_Unit Ltr
- + PLSS First Division



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, August 17, 2017 10:56 AM
To: 'mjp1692@gmail.com'
Cc: Brown, Maxey G, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'rjsanche@blm.gov'; 'lisa@rwbyram.com'; Kautz, Paul, EMNRD
Subject: APPROVED NSL-7566_Steward Energy II, LLC_Pinkman Fee Well No. 1H_SEC 23 14S 38E
Importance: High

Ms. Melanie J. Wilson,

The following administrative order has been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7566

Steward Energy II, LLC

API #: 30-025-43910

WELL: Pinkman Fee Well No. 1H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>