

# NSL Initial Application

RECEIVED: <b>08/31/21</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL2124357945</b>
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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:** Centennial Resource Production, LLC **OGRID Number:** 372165  
**Well Name:** Juliet Fed Com #514H **API:** 30-025-49016  
**Pool:** Red Hills; Bone Spring, North **Pool Code:** 96434

### 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.**

Kaitlyn A. Luck

Print or Type Name

Signature

08/31/21

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



**Kaitlyn A. Luck**  
**Associate**  
**Phone** (505) 954-7286  
KALuck@hollandhart.com

August 31, 2021

**VIA ONLINE FILING**

Adrienne Sandoval, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of Centennial Resource Production, LLC, for administrative approval of an unorthodox well location for its Juliet Fed Com #514H well in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.**

Dear Ms. Sandoval:

Centennial Resource Production, LLC ("Centennial") (OGRID No. 372165) seeks administrative approval of an unorthodox well location for its **Juliet Fed Com #514H well** (API No. 30-025-49015) to be completed within the Red Hills; Bone Spring, North Pool (Pool Code 96434) underlying the 240-acre, more or less, spacing unit in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

This well is to be drilled at the following location:

- Surface location: 2,189 feet from the north line and 2,146 feet from the west line (Unit F) of Section 27;
- Bottom hole location: 100 feet from the north line and 2,540 feet from the west line (Unit C) of Section 22;
- First take point: 2,539 feet from the north line and 2,540 feet from the west line (Unit F) of Section 27;
- Last take point: 100 feet from the north line and 2,540 feet from the west line (Unit C) of Section 22.

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Since this acreage is governed by the Division's statewide rules, the completed interval for the **Juliet Fed Com #514H well** is unorthodox because the completed interval is closer than the standard offsets to the eastern boundary of the spacing unit in the W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27. Approval of the unorthodox completed interval will allow Centennial 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 **Juliet Fed Com #514H well** encroaches on the spacing unit to the east in W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27.

**Exhibit B** is a land plat for Sections 22 and 27, that shows the proposed **Juliet Fed Com #514H well** in relation to the adjoining spacing units to the east in the W/2 E/2 of Section 22 and the W/2 NE/4 of Section 27.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the east. **Exhibit C** includes the tracking information that reflects the "affected parties" were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator	Centennial Resource Production, LLC	Tracts 1, 2, 3	N/A
Working Interest	MRC Permian Company	Tract 3	8/27/21
Working Interest	Marathon Oil Permian, LLC	Tract 3	8/27/21
Working Interest	Energen Resource Corporation	Tract 3	8/27/21
Working Interest	COG Operating, LLC	Tract 3	8/27/21
Working Interest	Jetstream Oil and Gas Partners, LP	Tract 3	8/27/21
Working Interest	EOG Resources, Inc.	Tract 3	8/27/21

**Exhibit D** is a statement from a Centennial's petroleum engineer confirming that Centennial's requested unorthodox location is necessary due to unforeseen circumstances while drilling and to prevent wasted resources.

Your attention to this matter is appreciated.

Sincerely,



Kaitlyn A. Luck  
ATTORNEY FOR CENTENNIAL RESOURCE  
PRODUCTION, 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, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name JULIET FEDERAL COM		<sup>6</sup> Well Number 514H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC		<sup>9</sup> Elevation 3462.3'

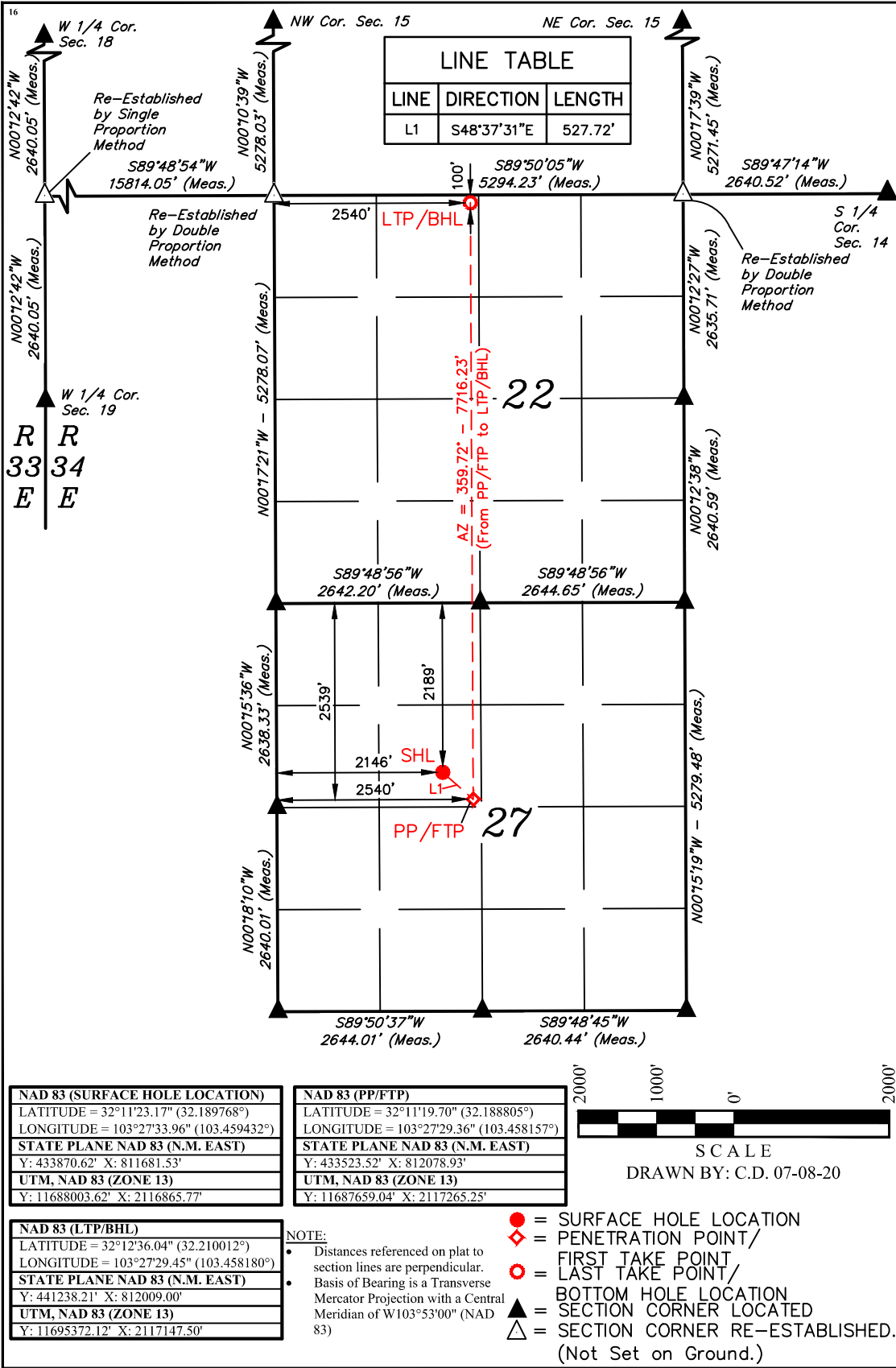
<sup>10</sup> Surface Location

UL or lot no. F	Section 27	Township 24S	Range 34E	Lot Idn	Feet from the 2189	North/South line NORTH	Feet from the 2146	East/West line WEST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. C	Section 22	Township 24S	Range 34E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 2540	East/West line WEST	County LEA
<sup>12</sup> Dedicated Acres 240		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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.



<sup>17</sup> 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.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Printed Name \_\_\_\_\_  
E-mail Address \_\_\_\_\_

<sup>18</sup> 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.

July 02, 2020

Date of Survey  
Signature and Seal of Professional Surveyor:



Certificate Number:

EXHIBIT A





**Juliet Fed Com #514H NSL Notice List 8-24-2021**

**Tract 1: (W/2 NE/4 Section 22)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

**Tract 2: (W/2 SE/4 Section 22)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

**Tract 3: (W/2 NE/4 Section 27)**

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

Marathon Oil Permian, LLC  
5555 San Felipe  
Houston, Texas 77056

Energen Resource Corporation  
500 West Texas Ave., Suite 1200  
Midland, Texas 79701

COG Operating, LLC  
600 W. Illinois Ave.  
Midland, Texas 79701

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

Chief Capital (O&G) II, LLC  
8111 Westchester Drive, Suite 900  
Dallas, Texas 75225

EOG Resources, Inc.  
5509 Champions Drive  
Midland, Texas 79706

Jetstream Oil and Gas Partners, LP  
101 Nursery Lane, Suite 312  
Fort Worth, Texas 76114

**EXHIBIT C**



**Kaitlyn A. Luck**  
**Associate**  
**Phone** (505) 954-7286  
KALuck@hollandhart.com

August 27, 2021

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: AFFECTED PARTIES**

**Re: Application of Centennial Resource Production, LLC, for administrative approval of an unorthodox well location for its Juliet Fed Com #514H well in the E/2 W/2 of Section 22, and the E/2 NW/4 of Section 27, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.**

Dear Sir or Madam:

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 days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. 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 the following:

Gavin Smith  
Centennial Resource Development Inc.  
(720) 499-1474  
Gavin.Smith@cdevinc.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck  
ATTORNEY FOR CENTENNIAL RESOURCE  
PRODUCTION, LLC



Parent ID	Mail Date	Company	DeliveryAddress	City	ST	Zip	MailClass	TrackingNo	Well
31309	08/27/2021	Centennial Resource Production, LLC	1001 17th St Ste 1800	Denver	CO	80202-2058	Certified with Return Receipt (Signature)	9414811898765800784475	70944 - Centennial - Juliet 514H - notice list - 1
31309	08/27/2021	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	9414811898765800784512	70944 - Centennial - Juliet 514H - notice list - 2
31309	08/27/2021	Marathon Oil Permian, LLC	5555 San Felipe St	Houston	TX	77056-2701	Certified with Return Receipt (Signature)	9414811898765800784550	70944 - Centennial - Juliet 514H - notice list - 3
31309	08/27/2021	Energen Resource Corporation	500 W Texas Ave Ste 1200	Midland	TX	79701-4203	Certified with Return Receipt (Signature)	9414811898765800784567	70944 - Centennial - Juliet 514H - notice list - 4
31309	08/27/2021	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	Certified with Return Receipt (Signature)	9414811898765800784529	70944 - Centennial - Juliet 514H - notice list - 5
31309	08/27/2021	Chief Capital O&G II, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Certified with Return Receipt (Signature)	9414811898765800784505	70944 - Centennial - Juliet 514H - notice list - 6
31309	08/27/2021	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Certified with Return Receipt (Signature)	9414811898765800784598	70944 - Centennial - Juliet 514H - notice list - 7
31309	08/27/2021	Jetstream Oil and Gas Partners, LP	101 Nursery Ln Ste 312	Fort Worth	TX	76114-4342	Certified with Return Receipt (Signature)	9414811898765800784543	70944 - Centennial - Juliet 514H - notice list - 8



1001 17<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202

August 24, 2021

Re: Juliet Fed Com #514H  
SHL: 2189' FNL Sec. 27 & 2146' FWL Sec. 27 T24S R34E  
BHL: 100' FNL Sec. 22 & 2540' FWL Sec. 22 T24S R34E  
Lea County, New Mexico

To Whom it May Concern,

Centennial Resource Production, LLC respectfully requests administrative approval on a non-standard location for the Juliet Fed Com #514H to allow the completed interval to be less than 330 feet from the western boundary of the existing 240-acre horizontal spacing unit. This well is located in the Red Hills; Bone Spring, North pool (96434). Due to the current spacing of the producing wells in this section, Centennial has planned the Juliet Fed Com #513H, Juliet Fed Com #514H, Solomon Fed Com #505H and Sheba Fed Com #506H wells with at least 950 feet of spacing between each well. This spacing pattern causes the Juliet Fed Com #514H to be drilled less than 330 feet from the eastern boundary of the spacing unit. Centennial requests approval of this non-standard location to avoid causing wasted resources and reducing the production of the wells listed above.

Sincerely,

**Grayson Viles**  
Sr. Reservoir Engineer  
Centennial Resource Production, LLC

A handwritten signature in black ink, appearing to read "Grayson Viles".

**EXHIBIT D**

**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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 45503

CONDITIONS

Operator: CENTENNIAL RESOURCE PRODUCTION, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 45503
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/31/2021