

RECEIVED: <u>3/6/18</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL</u>	APP NO: <u>PLEL1806547</u> <sup>667</sup>
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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:** Murchison Oil & Gas Inc. **OGRID Number:** 15363  
**Well Name:** Panda Bear State Com 1 **API:** 30-015-33436  
**Pool:** Anderson; Wolfcamp, North **Pool Code:** 97183

**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

NSL-7653

MAR 06 2018 AM 09:21

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.

Gary R. Cooper, Vice President Operations

Print or Type Name

Signature

March 1, 2018

Date

972-931-0700

Phone Number

rcooper@jdmii.com

e-mail Address

March 1, 2018

Mr. Leonard Lowe  
Oil Conservation Division  
Energy Minerals and Natural Resources Department  
1220 South St. Frances Drive  
Santa Fe, NM 87505

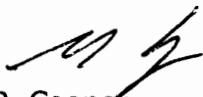
**Re: Application for Administrative Approval of Unorthodox Location  
Panda Bear State Com 1 (30-015-33436)  
D-02-17S-28E Eddy County, NM**

Dear Mr. Lowe:

Murchison Oil & Gas, Inc. ("MOGI") seeks administrative approval of an unorthodox well location for Panda Bear State Com 1 ("Well"). MOGI is proposing recompletion of the Well from a Morrow gas well with a 320 acre spacing unit to a Wolfcamp oil well with a 40 acre spacing unit. The reduced spacing unit will result in the Well being closer than 330 feet to the South and East lines of Unit D. Since MOGI is the named operator of the adjacent Units C, E and F, no notice to offset operators is required. The amended C-102 and an affidavit from our Land Manager verifying the operated acreage are enclosed.

Approval of the unorthodox location (NSL) will allow MOGI to recomplete the well and thereby prevent waste.

Sincerely,



Gary R. Cooper  
Vice President Operations

cc: New Mexico State Land Office

Divided L  
1625 N. French Dr. Hobbs, NM 88240

Divided L  
811 South First, Arizona, AZ 85210

Divided L  
1000 Rio Grande Rd., Aztec, NM 87410

Divided L  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, N M 87505

Form C-102

Revised March 17, 1999  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33436	Pool Code 97183	Pool Name ANDERSON; WOLFCAMP, NORTH
Property Code 34019	Property Name PANDA BEAR STATE COM	Well Number 1
OGRI No. 15363	Operation Name MURCHISON OIL & GAS, INC.	Elevation 3678

Surface Location

UL or Lot No. LOT 4	Section 2	Township 17-S	Range 28-E	Lot 1/4	Feet from the 1280	North/South Line NORTH	Feet from the 1123	East/West Line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acres 39.22		Joint or Infill	Consolidation Code	Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>197 1280' NE/4 1123' 40 SW/4 SE/4 LAT N32°52'07.1" LON W 104°09'06.5"</div>	Spacing Unit		OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Signature		Signature
	Printed Name Gary R Cooper		Printed Name
	Title Vice President Operations		Title
Date 2/28/2018		Date	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 KNOWLEDGE AND BELIEF.
AUGUST 24, 2004 Date of Survey		Date of Survey	Signature and Seal of Professional Surveyor
5412 REGISTERED LAND SURVEYOR ENGINEER		5412	NM PER 15-1-2 Certificate Number

February 28, 2018

Mr. Leonard Lowe  
Oil Conservation Division  
Energy Minerals and Natural Resources Department  
1220 South St. Frances Drive  
Santa Fe, NM 87505

**Re: Panda Bear State Com 1 (30-015-33436)  
D-02-17S-28E Eddy County, NM  
Lease B-2178-16**

Dear Mr. Lowe:

Murchison Oil & Gas, Inc. is the named operator of the NW/4 and the E/2 SW/4 of Section 2, T17S, R28E, Eddy County, New Mexico. Since the Panda Bear State Com 1 is no closer than 330 feet to an outer lease boundary, no notice to offset operators is required.

Sincerely,



Eric S. Buddenbohn, CPL  
Land Manager

## McMillan, Michael, EMNRD

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**From:** Peta Maree Pogue <pmpogue@jdmii.com>  
**Sent:** Tuesday, March 20, 2018 1:57 PM  
**To:** McMillan, Michael, EMNRD  
**Cc:** Rusty Cooper; Eric Buddenbohn; Cindy Cottrell  
**Subject:** RE: Panda Brea, Polar Bear, Mudcat State ownership

Michael,

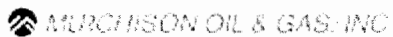
Below are the answers to your questions we discussed yesterday over the phone:

- **Mudcat #1:**
  - Is the ownership the same across the SE/4 SE/4 & the NE/4 SE/4?
    - Yes, both legal descriptions are covered by the same lease and subject to a JOA, so the WI, ORRI, RIs are all the same.
- **Polar Bear #1:**
  - Is the ownership the same across the SW/4 NW/4 & SE/4 NW/4?
    - Yes, both legal descriptions are covered by the same lease and subject to a JOA, so the WI, ORRI, RIs are all the same.
- **Panda Bear #1:**
  - Is the ownership the same across the SE/4 NW/4 and SW/4 NW/4?
    - Yes, both legal descriptions are covered by the same lease and subject to a JOA, so the WI, ORRI, RIs are all the same.

Let me know if you have any other questions.

Thanks,

Peta Maree



***Peta Maree Pogue***

***Senior Landman***

Legacy Tower One

7250 Dallas Parkway, Suite 1400

Plano, TX 75024

469.573.6419 Direct

972.931.0700 Office

972.931.0701 Fax

**pmpogue@jdmii.com**

**www.murchisonoil.com**

**From:** McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]

**Sent:** Monday, March 19, 2018 4:02 PM