

NSL-7685

Revised March 23, 2017

RECEIVED: 3/13/2018	REVIEWER: LRL	TYPE: NS	APP NO: PMAM1807341580
ABOVE THIS TABLE FOR OCD DIVISION USE ONLY			MAR 13 2018 PM04:37

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: Horseshoe Fed Com No. 701H Well

API: pending

Pool: W.C.; WOLFCAMP

Pool Code: 98033

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.

Michael H. Feldewert

Print or Type Name

March 13, 2018

Date

505-988-4421

Phone Number

mfeldewert@hollandhart.com

e-mail Address

Signature

Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources - Oil
and Gas Law - New Mexico
Board of Legal Specialization
mfeldewert@hollandhart.com

March 13, 2018

VIA HAND DELIVERY

Heather Riley
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Dr.
Santa Fe, New Mexico 87505

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Horseshoe Fed Com No. 701H Well underlying the W/2 E/2 of Section 18, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Ms. Riley:

Centennial Resource Production, LLC ("Centennial") (OGRID No. 372165) seeks administrative approval of an unorthodox location for its **Horseshoe Fed Com No. 701H Well** (API number pending) to be completed in the Wolfcamp formation underlying the W/2 E/2 of Section 18, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. This well will be drilled from a surface location 300 feet from the north line, 1965 feet from the east line (Unit B) of Section 19. The upper most perforation will be located 100 feet from the south line, 1650 feet from the east line (Unit O) of Section 18 and the lower most perforation will be 100 feet from the north line, 1650 feet from the east line (Unit B) of Section 18. Since this acreage is governed by the Division's statewide rules which provide for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it encroaches on the northern, northeastern, southern, and southeastern boundaries of the project area.

The purpose for the unorthodox locations at the first and last take points is to maximize the perforated lateral length and thereby capture reserves that may not otherwise not be recovered, without unreasonably infringing upon the correlative rights of the affected parties in the offsetting spacing units.



Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Horseshoe Fed Com No. 701H Well** encroaches on the spacing and proration units to the north, northeast, south, and southeast.

Exhibit B is a land plat for Section 18 and the surrounding sections that shows the **Horseshoe Fed Com No. 701H Well** in relation to the adjoining units and existing wells.

Exhibit C is a list of the parties affected by Centennial's request for an unorthodox location. Each of these parties has been provided a copy of this application and all attachments by certified mail, and has been advised that if they have an objection it must be filed in writing with the Division within 20 days from the date the Division receives this application. A copy of this application has been provided to the Bureau of Land Management—Carlsbad Office.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Feldewert".

Michael H. Feldewert

**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

cc: Bureau of Land Management – Carlsbad
620 E. Greene Street
Carlsbad, NM 88220

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 Rancho Road, Arroyo, 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

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name HORSESHOE FED COM		6 Well Number 701H	
7 GRID No.		8 Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC		9 Elevation 3806.9'	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	North/South line	Feet from the	East/West line	County
B	19	21S	33E		NORTH	1965	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	North/South line	Feet from the	East/West line	County
B	18	21S	33E		NORTH	1650	EAST	LEA

11 Dedicated Acres 160	12 Joliet or Infill	13 Consolidation Code	14 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.

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°28'15.00" (32.470834°)
LONGITUDE = 103°36'34.32" (103.609334°)
STATE PLANE NAD 83 (N.M. EAST)
Y 335777.17' X 76455.00'
UTM, NAD 83 (ZONE 13)
Y 1179600.27' X 2069112.73'

NAD 83 (PP/FTP)
LATITUDE = 32°28'18.96" (32.471932°)
LONGITUDE = 103°36'30.66" (103.608515°)
STATE PLANE NAD 83 (N.M. EAST)
Y 336178.87' X 76486.46'
UTM, NAD 83 (ZONE 13)
Y 1179600.79' X 2069421.62'

NAD 83 (LTP/BHL)
LATITUDE = 32°29'09.20" (32.485888°)
LONGITUDE = 103°36'30.69" (103.608524°)
STATE PLANE NAD 83 (N.M. EAST)
Y 341256.23' X 764879.27'
UTM, NAD 83 (ZONE 13)
Y 11795080.03' X 2069352.71'

LINE TABLE

LINE	DIRECTION	LENGTH
L1	N38°01'48"E	508.36'
L2	S89°55'29"W	2638.56'

NOTE:
• Distances referenced on plat to section lines are perpendicular.
• Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W 103°53'00"

● = SURFACE HOLE LOCATION
○ = LTP/BHL
◇ = PP/FTP
▲ = SECTION CORNER LOCATED

2000'
1000'
0
2000'

SCALE
DRAWN BY: M.F.S. 03-02-18

REV: 2 03-13-18 J.N. (ACREAGE CHANGE)

"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 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.

Signature _____ Date _____

Printed Name _____

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.

February 26, 2018

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number _____

EXHIBIT

A

EXHIBIT C

TRACT 1 (V0-9003, S/2 SE/4 Sec 7-T21S-R33E)

Cimarex Energy Company
1700 Lincoln Street, Suite 3700
Denver, Colorado 80203

TRACT 2 (V0-8700, N/2 NE/4 Sec 19-T21S-R33E)

Bullhead Energy, LLC
P.O. Box 3445
Midland, Texas 79702

Advance Energy Partners Hat Mesa, LLC
11490 Westheimer Road, Suite 950
Houston, Texas 77077

COG Operating
One Concho Center
600 W. Illinois Ave.
Midland, Texas 79701

Charis Royalty F, LP
P.O. Box 93983
Southlake, Texas 76092

Concho Oil & Gas, LLC
600 W. Illinois Ave.
Midland, Texas 79701





Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 03/13/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	6
Total	6

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

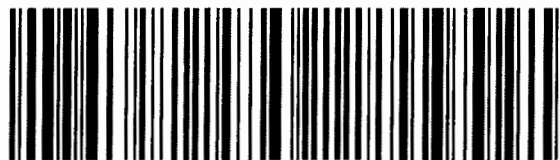
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0007 5597 84



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Priority Mail <input type="checkbox"/> Restricted Delivery		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8304 9347 06		Cinarex Energy Company 1700 Lincoln Street Suite 3700Denver Denver CO 80203		1.63	3.45								1.50			
2. 9214 8901 9403 8304 9347 13		Bullhead Energy LLC PO BOX 3445 Midland TX 79702		1.63	3.45								1.50			
3. 9214 8901 9403 8304 9347 20		Advance Energy Partners Hq. Mesa LLC 11490 Westheimer Road Suite 950 Houston TX 77077		1.63	3.45								1.50			
4. 9214 8901 9403 8304 9347 37		COG Operating One Corcho Center 600 W Illinois Ave Midland TX 79701		1.63	3.45								1.50			
5. 9214 8901 9403 8304 9347 44		Charis Royalty F LP PO BOX 93983 Southlake TX 76092		1.63	3.45								1.50			
6. 9214 8901 9403 8304 9347 51		Concho Oil & Gas LLC 600 W Illinois Ave Midland TX 79701		1.63	3.45								1.50			
Total Number of Pieces Listed by Sender 6		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)												

HOLLAND & HART^{LLP}



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources - Oil
and Gas Law - New Mexico
Board of Legal Specialization
mfeldewert@hollandhart.com

March 13, 2018

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 Horseshoe Fed Com No. 701H Well underlying the W/2 E/2 of Section 18, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico.

Ladies and Gentleman:

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 Production, LLC
(720) 499-1474
gavin.smith@cdevinc.com

Sincerely,

Michael H. Feldewert
**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

Holland & Hart LLP

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

Lowe, Leonard, EMNRD

From: Michael Feldewert <MFeldewert@hollandhart.com>
Sent: Wednesday, April 11, 2018 11:16 AM
To: Lowe, Leonard, EMNRD; Jones, William V, EMNRD
Cc: Dave Hatch; Gavin Smith (Gavin.Smith@cdevinc.com)
Subject: Horseshoe Wells NSL applications, POOLS?

Mr. Lowe: As a follow-up to our conversation today, this email is intended to confirm that the Horseshoe Fed Com No. 601H and 602H wells will be completed in the Bone Spring formation and the Horseshoe Fed Com No. 701H and 702H wells will be completed in the Wolfcamp formation. Let me know if you need anything else, and thanks for your efforts on these matters.

*Michael H. Feldewert
Santa Fe Office
505-988-4421
505-983-6043 (fax)
mfeldewert@hollandhart.com*

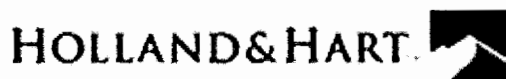


CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

From: Michael Feldewert
Sent: Tuesday, April 10, 2018 1:58 PM
To: 'Lowe, Leonard, EMNRD' <Leonard.Lowe@state.nm.us>; Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Cc: Dave Hatch <DBHatch@hollandhart.com>; Gavin Smith (Gavin.Smith@cdevinc.com) <Gavin.Smith@cdevinc.com>
Subject: Horseshoe Wells NSL applications, POOLS?

Mr. Lowe: The Division's district office has not assigned a Bone Spring or Wolfcamp pool to this area. We understand a nearby Bone Spring well permitted by Ascent is in WC-025 G-08 S213304D; BONE SPRING #97895 and a nearby Wolfcamp well permitted by Advance is in WC-025 G-10 S2133280; WOLFCAMP #98033. Sorry that I cannot be offer more assistance.

*Michael H. Feldewert
Santa Fe Office
505-988-4421
505-983-6043 (fax)
mfeldewert@hollandhart.com*



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Lowe, Leonard, EMNRD

From: Michael Feldewert <MFeldewert@hollandhart.com>
Sent: Tuesday, April 10, 2018 1:58 PM
To: Lowe, Leonard, EMNRD; Jones, William V, EMNRD
Cc: Dave Hatch; Gavin Smith (Gavin.Smith@cdevinc.com)
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*Michael H. Feldewert
Santa Fe Office
505-988-4421
505-983-6043 (fax)
mfeldewert@hollandhart.com*

97895; 40 Acre ; 330 S.B.
98033; 40 Acre ; 330 S.B.

HOLLAND & HART. 

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Tuesday, April 10, 2018 1:30 PM
To: Michael Feldewert <MFeldewert@hollandhart.com>
Cc: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Subject: NSL applications, POOLS?
Importance: High

Mr. Michael H. Feldewert,

OCD has four NSL applications for Centennial Resources Production, LLC for the following wells:

Horseshoe Fed Com No. 601H
Horseshoe Fed Com No. 602H
Horseshoe Fed Com No. 701H
Horseshoe Fed Com No. 702H

What Pool are these applications seeking?

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004

From: [Lowe, Leonard, EMNRD](#)
To: ["Michael Feldewert"](#)
Cc: ["Lisa Lemon"; Martin, Ed; Holm, Anchor E.; "jglover@blm.gov"; "scaffey@blm.gov"; "jstovall@blm.gov"; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD; Jones, William V, EMNRD](#)
Subject: APPROVED NSL-7683, -7684, -7685, -7686 FOR Horseshoe Federal Com Wells (601H, 602H, 701H, 702H)_Centennial_SEC 19.18 T21S R33E
Date: Wednesday, April 18, 2018 11:42:00 AM
Importance: High

Mr. Michael H. Feldewert,

The following administrative orders have been issued and will soon be available on the Division's web site.

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Applicant: Centennial Resources Production, LLC [372165]

NSL-7683

WELL: Horseshoe Federal Com Well No. 601H, [API #: 30-025-PENDING]

NSL-7684

WELL: Horseshoe Federal Com Well No. 602H, [API #: 30-025-PENDING]

NSL-7685

WELL: Horseshoe Federal Com Well No. 701H, [API #: 30-025-PENDING]

NSL-7686

WELL: Horseshoe Federal Com Well No. 702H, [API #: 30-025-PENDING]

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/>