

RECEIVED: 5/01/2018	REVIEWER: MAm	TYPE: DHC	APP NO: PMAM1812145474
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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

MAY 01 2018 PM 12:45

Applicant: LEGACY RESERVES OPERATING, LP **OGRID Number:** 240974
Well Name: LEA UNIT #61H **API:** 30-025-44024
Pool: LEA; BONE SPRING, SOUTH **Pool Code:** 37580

**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

CA, NM NM 70976X

- 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.

Laura Pina

Print or Type Name

Signature

04/23/2018

Date

432-689-5200

Phone Number

lpina@legacylp.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☒ Establish Pre-Approved Pools
EXISTING WELLBORE
☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING

Legacy Reserves Operating, LP PO Box 10848, Midland, TX 79702
Operator Address

Lea Unit 61H L-19-T20S-R35E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 240974 Property Code 302802 API No. 30-025-44024 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Lea; Bone Spring, South		Wildcat; Bone Spring
Pool Code	37580		97983
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9,915'-12,223'		12,223'-17,150'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	39 Degree API		39 Degree API
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 03/02/2018 Rates: 213 BOPD, 167 MCFPD, 853 BWPD	Date: Rates:	Date: 03/02/2018 Rates: 427 BOPD, 333 MCFPD, 1709 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 33.3% 33.3%	Oil Gas % %	Oil Gas 66.7% 66.7%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well:

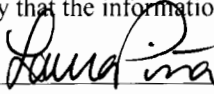
Attachments:
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Compliance Coordinator DATE 04/23/2018

TYPE OR PRINT NAME Laura Pina TELEPHONE NO. (432) 689-5200

E-MAIL ADDRESS lpina@legacylp.com

Well Tests

1/1/2018 through 4/23/2018

Printed:

4/23/2018

Lea Unit # 61H

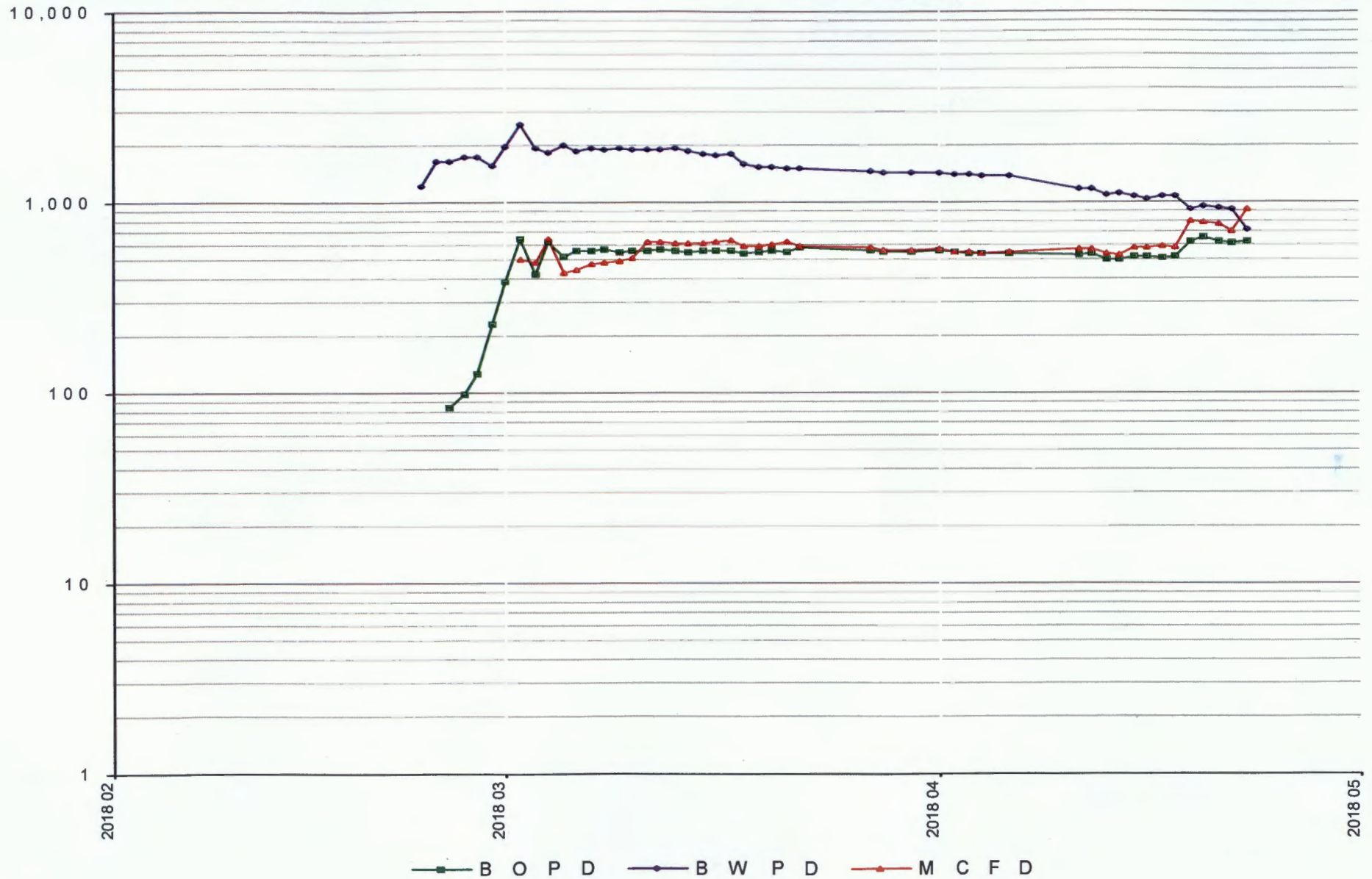
BOLO ID 300033.14.61

Zone # 1

Zone BONE SPRING

API # 3002544024

County, State LEA, NM



Lea Unit #61H Commingling Calculation (Fixed Allocation Percentage)

STATE LEASE (South 1/3):

Portion of Dedicated Acreage: $0' - 2640' = 2,640'$ (80 Acres)

Total Dedicated Acreage: $7,920'$ (240 Acres)

State Percentage Calculation: $2,640'/7,920' = 33.3\%$ (Acres: $80/240 = 33.3\%$)

STATE PERCENTAGE = 33.3%

FEDERAL LEASE (North 2/3):

Portion of Dedicated Acreage: $2,640' - 7,920' = 5,280'$ (160 Acres)

Total Dedicated Acreage: $7,920'$ (240 Acres)

Federal Percentage Calculation: $5,280'/7,920' = 66.7\%$ (Acres: $160/240 = 66.7\%$)

FEDERAL PERCENTAGE = 66.7%

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

OIL CONSERVATION DIVISION
1220 South St. Frances Dr.
Santa Fe, NM 87505

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) 476-3480 Fax: (505) 476-3482

"As Drilled"

~~X~~ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44024	Pool Code 37580	Pool Name Lea; Bone Spring, South
Property Code 302802	Property Name LEA UNIT	Well Number 61H
OGRID No. 240974	Operator Name LEGACY RESERVES OPERATING LP	Elevation 3677'

Surface Location

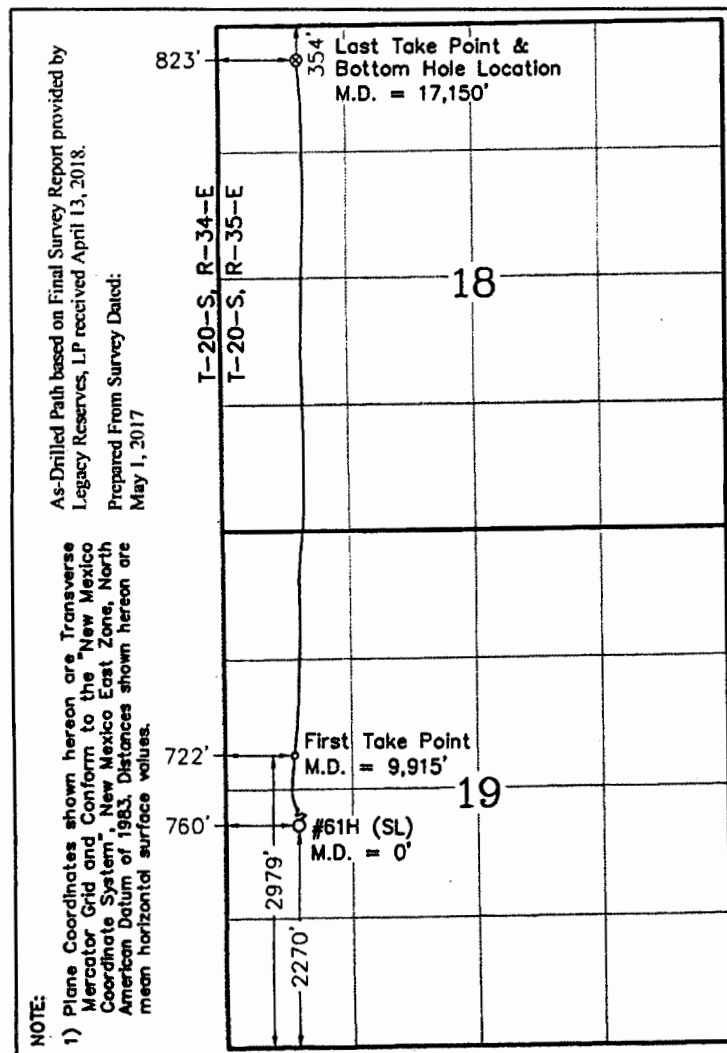
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	19	20 S	35 E		2270	SOUTH	760	WEST	LEA

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
D	18	20 S	35 E		354	NORTH	823	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

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



LAST TAKE POINT LOCATION
& BOTTOM HOLE LOCATION
Plane Coordinate (NAD '83)
X = 797,259.92
Y = 575,517.21
Geodetic Coordinate (NAD '83)
Latitude = 32.57940437° N
Longitude = 103.50249042° W

FIRST TAKE POINT LOCATION
Plane Coordinate (NAD '83)
 X = 797,213.00
 Y = 568,295.41
Geodetic Coordinate (NAD '83)
 Latitude = 32.55955650° N
 Longitude = 103.50282566° W

SURFACE LOCATION &
PENETRATION POINT
Plane Coordinate (NAD '83)
X = 797,256.08
Y = 567,586.97
Geodetic Coordinate (NAD '83)
Latitude = 32.55760844° N
Longitude = 103.50270380° W

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 is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Laura Pina Date 4/23/18

Laura Pina
Printed Name
lpina@legacyp.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.

May 01, 2017

Date of Survey _____

Signature & Seal of Professional Surveyor _____ SC

04-17-18

23263

PROFESSIONAL SURVEY

W/O. Num. 2015-041618

Scale
1" = 2000'

