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Signature

# **NEW MEXICO OIL CONSERVATION DIVISION**

- Geological & Engineering Bureau -



1220 South St. Francis Drive, S	Santa Fe, NM 87505
ADMINISTRATIVE APPLIC	CATION CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE A REGULATIONS WHICH REQUIRE PROCESSING	PPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Applicant: Centennial Resource Production, LLC	OGRID Number: 372165
Vell Name: Vitalizer State No. 502H Well	API: 30-025-44499
Grama Ridge; Bone Spring Pool	Pool Code: 28430
SUBMIT ACCURATE AND COMPLETE INFORMATION R INDICATED	
1) TYPE OF APPLICATION: Check those which apply f A. Location – Spacing Unit – Simultaneous Dedic  NSL NSP(PROJECT AREA)	
B. Check one only for [1] or [1]  [1] Commingling – Storage – Measurement  DHC CTB PLC PC  [11] Injection – Disposal – Pressure Increase –  WFX PMX SWD IPI	□ EOR □ PPR
2) NOTIFICATION REQUIRED TO: Check those which a  A. Offset operators or lease holders  B. Royalty, overriding royalty owners, revenue C. Application requires published notice  D. Notification and/or concurrent approval to the surface owner  G. For all of the above, proof of notification of the provential to the surface owner  H. No notice required	e owners  Dy SLO Dy BLM  Notice Complete  Application Content Complete
CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this approvalifications are submitted to the Division.	to the best of my knowledge. I also
Note: Statement must be completed by an individue	al with managerial and/or supervisory capacity.
Adam G. Rankin	April 11, 2018  Date
Print or Type Name	
	505-988-4421
$(\lambda)$	Phone Number
1 946	agrankin@hollandhart.com

e-mail Address



Adam G. Rankin Associate Phone (505) 954-7294 Fax (505) 983-6043 AGRankin@hollandhart.com

April 11, 2018

## VIA HAND DELIVERY

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

APR 11 2018 PMOS:10

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Vitalizer State No. 502H well in the E/2 E/2 of Section 33, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.

Dear Ms. Riley:

Centennial Resource Production, LLC (OGRID 372165) seeks administrative approval of an unorthodox well location for its **Vitalizer State No. 502H Well** (API No. 30-025-44499) to be completed within the Grama Ridge; Bone Spring Pool (28430) underlying Section 33, Township 21 South, Range 34 East, Lea County, New Mexico. This well will be drilled from a surface location 300 feet from the south line and 450 feet from the east line (Unit P). The first take point will be located 350 feet from the south line and 450 feet from the east line (Unit P) and the last take point will be located 100 feet from the north line and 450 feet from the east line (Unit A). 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 is closer than 330 feet to the northern and northeastern boundaries of the project area.

Approval of the unorthodox completed interval will allow Centennial to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

**Exhibit A** is the Amended Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Vitalizer State No. 502H Well** encroaches on the spacing and proration units to the north and northeast.

**Exhibit B** is a land plat for Section 33 and the surrounding sections that shows the **Vitalizer State No. 502H Well** in relation to adjoining units and existing wells.



**Exhibit C** is a list of the parties affected by the encroachment to the north and northeast. Each of the parties listed on Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the State Land Office.

Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin

ATTORNEY FOR CENTENNIAL RESOURCE

PRODUCTION, LLC

cc: New Mexico State Land Office

P.O. Box 1148

Santa Fe, NM 87504-1148

District 1 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 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

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	•	<sup>2</sup> Pool Code	<sup>2</sup> Pool Code <sup>3</sup> Pool Name			
<sup>4</sup> Property Code			L operty Name LIZER STATE	<sup>6</sup> Well Number 502H		
7 OGRID No.			perator Name DURCE PRODUCTION, LLC	9 Elevation 3629.0'		

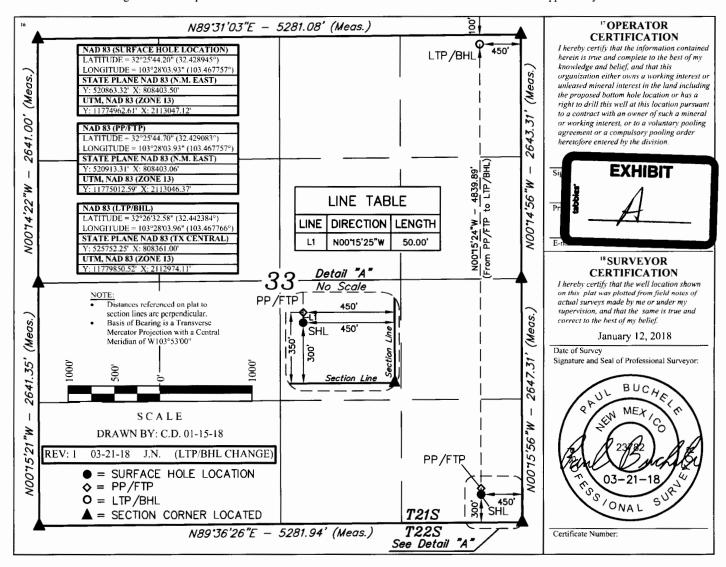
#### Surface Location

_										
- 1	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
- 1	D	22	216	34Ë		300	SOUTH	450	EACT	IEA
- 1	r	33	213	34E		300	3001H	430	EASI	LEA

#### "Bottom Hole Location If Different From Surface

UL or lot no. A	Sect 31	3	Township 21S	Range 34E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 450	East/West line EAST	County LEA
12 Dedicated Acre 160	es	13 Jo	int or Infill	14 Consc	didation Code	15 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.



Fourset Prins. Ud S.O 148.P Aller Ce (400 op) (400 op) (500 op) (500 op) (500 op) 25 5 7 Per جر "Gra. to Produce St." SHT. € Worbo 18 F 2.5 10.00 10 MNA Ent.etal(Enron)
11-76-7015 August 570 State Hamson & ? FAIR CO. 1 22 orex En. TO THE PARTY OF TH Live Stack Co. Mar bob 2015 2015 2015 2015 FOREST. 10 402 80 Vitalizer State 502H Nergetta Verenta 7 · 1 · 2015 Verenta Yetes Pet chol Wastell O.a.C. **Project Area** Yoles Petr cre | 1 5-1 2018 9.2 3. 2. Jan 103266 109266 Madgan Pet, etal 058678 See Firet 1 Ĩ 2.3 P.L. White 20 : 178 978 Elm. 99778 State State Dryx inc. ï Stern M - BP Ţ outes are to (EOG Res) Signal # 55 PIPELINE (OI • 033312 CATHERIT THREE THREE Chaperral Ener. Bit Nearburg Tract 2 £695. 3184 ૢૼ GMT Expl 917071 V8-7781 9E.790 00 A-15.70 Greka AM LB-1107 HBC WIZ Faicon CreekRes Burgundy Octo Terran Supplier 200 Getty-St BIAOSI V: Sessions Wilson State 7 1723 (Azriec Burgundy 086 (Gerry) A P 161.93 <u>.</u> SA SE 24.25 25.25 9 **EXHIBIT** 

## **EXHIBIT C**

## Tract 1:

Devon Energy Production Co., LP 333 W. Sheridan Avenue Oklahoma City, OK 73102

## Tract 2:

Marshall & Winston, Inc. P.O. Box 50880 Midland, TX 79710

Golden Parachute, LLC 3 Tattenham Corner Midland, TX 79707

Charles G. Rice and Donna C. Rice 5725 Ridgemont Place Midland, TX 79707

Rice Brothers 5725 Ridgemont Place Midland, TX 79707

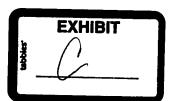
Tom M. Brandt & Linda L. Brandt P.O. Box 50465 Midland, TX 79710

Susan Humphreys & Ronald K. Humphreys 1311 Brighton Place Midland, TX 79705

Greenville Partners P.O. Box 50612 Midland, TX 79705

Sherry Roberts & Bill P. Roberts 2203 Ward Midland, TX 79705

Barstow Energy LLC P.O. Box 5088 Midland, TX 79710-0880





# **Shipment Confirmation Acceptance Notice**

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.

20180411 - NSL Centennial Resource Production, LLC

- Vitalizer State No. 502H Well

Shipment Date:	04/11/2018
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	8
Total	8

<sup>\*</sup>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
- Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No
   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 9707 25

ED STATES	L SERVICE®
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Name and Address of Sender	Check type of mail of service  Adult Signature Required  Priority Mail Express													
Holland & Hart LLP	d Delivery	Aff	Affix Stamp Here	b Here										
Santa Fe NM 87501		(if is	sued as ificate of	(if issued as an international certificate of mailing or for	tional									
			itional col	additional copies of this receipt) Postmark with Date of Receip	additional copies of this receipt).  Postmark with Date of Receipt.									
	☐ Insured Mail ☐ Signature Confirmation ☐ Priority Mail Restricted Delivery													
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code <sup>TM</sup> )	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured	Due Sender if COD	ASR Fee	ASRD Fee	P. P.	Fe RR	SC SC Fee F	SCRD Fee	꽃 <b>%</b>
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	City OK 73102												-	
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2. 9214 8901 9403 8305 4695 11	Marshall & Winston Inc PO BOX 5088 Midland TX 79707	1.63	3.45	εv							1.50			
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6. 9214 8901 9403 8305 4695 66	Greenville Paretners PO BOX 50612 Midland TX 79705	1.63	3.45	łi				np	giS		1.50	_	၉၁	
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				guilb									 S	
8. 9214 8901 9403 8305 4695 80	Barstow Energy LLC PO BOX 5088 Midland TX 79710	1.63	3.45	land							1.50		-	
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Total Number of Pieces Total Number of Pieces Listed by Sender Received at Post Office 8	Postmaster, Per (Name of receiving employee)									1				
PS Form <b>3877</b> , April 2015 (Page 1 of 1)	Complete in Ink	vacy Not	ice: For	r more ir	Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy.	on USP	S priva	y polic	cies, v	isit us	ps.co	n/priv	асур	olicy.



Adam G. Rankin Associate Phone (505) 954-7294 Fax (505) 983-6043 AGRankin@hollandhart.com

April 11, 2018

# <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTS

#### TO AFFECTED PARTIES

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Vitalizer State No. 502H well in the E/2 E/2 of Section 33, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

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:

Carl Messina
Centennial Resource Production, LLC
(720) 499-1411
Carl.Messina@cdevinc.com

Sincerely,

Adam G. Rankin

ATTORNEY FOR CENTENNIAL RESOURCE

PRODUCTION, LLC

## Lowe, Leonard, EMNRD

From:

Lowe, Leonard, EMNRD

Sent:

Monday, April 23, 2018 1:22 PM

To:

'Adam Rankin'

Cc:

Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Dawson,

Scott, EMNRD

Subject:

Protested Application: Centennial Resources Production, LLC\_Vitalizer State Well No.

502H\_Lea County\_Non-Standard Location

**Attachments:** 

Devon Protest of Centennial\_WELL\_Vitalizer State Well No. 502H.pdf

Importance:

High

RE:

Centennial Resources Production, LLC

Vitalizer State Well No. 502H (API # 30-025-44499)

Located in: Sec 33 T21S, R34E, NMPM

Mr. Adam Rankin,

OCD was notified that **Devon Energy Production**, **Inc**. is protesting this application for approval for a Non Standard Location. This party is identified as an affected person for the location. Therefore, you are being notified that if Centennial Resources Production, LLC wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained by OCD, but suspended from further administrative review.

Please contact OCD once you have made a decision regarding the application within the next 30 days. If the protest remains after 30 days, OCD will initiate the process for the application to be reviewed at hearing. Please call/e-mail me with any questions regarding this matter.

## Contact Information:

J. Scott Hall Attorney 325 Paseo de Peralta Santa Fe, N.M. 87501 505-982-3873

Resolved 4/25/18

## **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



J. SCOTT HALL

Cell: (505) 670-7362 Email: shall@montand.com

www.montand.com

April 25, 2018

Heather Riley, Director NM Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87501 HAND-DELIVERED

**RE:** Application for Administrative Approval of Unorthodox Well Location:

**Centennial Resource Production LLC** 

Vitalizer State Well No. 502H

SHL: 300 feet from the South line and 1140 feet from the East line of

Section 33, Township 21 South, Range 34 East

BHL: 100 feet from the North line and 450 feet from West line of Section 33,

Township 21 South, Range 34 East, Lea County, New Mexico

Dear Ms. Riley:

On April 20, 2018, on behalf of Devon Energy Production, Inc., we lodged an objection to the referenced well location. After conferring with Centennial, the matter has been resolved and Devon's objection is hereby withdrawn.

7. Som Ha K

J. Scott Hall

JSH:dml

cc (via email): Leonard Lowe, NMOCD

Adam Rankin, Attorney for Cimarex Energy Co. Katie Dean, Devon Energy Production, Inc.



J. SCOTT HALL

Cell: (505) 670-7362 Email: shall@montand.com

www.montand.com

April 20, 2018

APR 20 2018 PH03:52

Heather Riley, Director NM Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87501 HAND-DELIVERED

**RE:** Application for Administrative Approval of Unorthodox Well Location:

**Centennial Resource Production LLC** 

Vitalizer State Well No. 502H

SHL: 300 feet from the South line and 1140 feet from the East line of

Section 33, Township 21 South, Range 34 East

BHL: 100 feet from the North line and 450 feet from West line of Section 33,

Township 21 South, Range 34 East, Lea County, New Mexico

Dear Ms. Riley:

This firm represents Devon Energy Production, Inc., (Devon). Devon is an interest owner within Section 28-T21S-R34E in the immediate vicinity of the referenced well. Please be advised that pursuant to Division Rule 19.15.15.13.D NMAC, Devon objects to Centennial's Application for Unorthodox Well Location.

Very truly yours,

7. Suntal

J. Scott Hall

JSH:dml

cc (via email): Adam Rankin, Attorney for Cimarex Energy Co.

Katie Dean, Devon Energy Production, Inc.

**REPLY TO:** 

325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307 Santa Fe, New Mexico 87504-2307 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

160

# 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

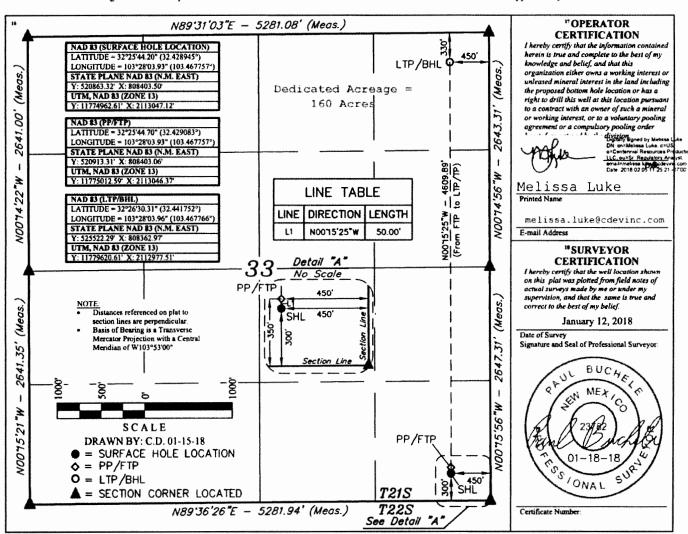
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025- 4	14499 28430	pring	
3/8036		Property Name ALIZER STATE	6 Well Number 502H
372165		Operator Name SOURCE PRODUCTION, LLC	* Elevation 3629.0'

"Surface Location

UL or lot so. P	Section 33	Township 21S	Range 34E	Lot Ida	Feet from the 300	North/South line SOUTH	Feet from the 450	East/West line EAST	County LEA
			н	Bottom H	ole Location I	f Different From	Surface		
UL or lot so.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County
A	33	21S	34E		330	NORTH	450	EAST	LEA
12 Dedicated Acre	ta 13 Jo	eint or Infill	14 Conse	lidation Code	15 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.



From: Lowe, Leonard, EMNRD

To: "Adam Rankin"

Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Jones, William V, EMNRD; Goetze,

Phillip, EMNRD; Dawson, Scott, EMNRD; Martin, Ed; Holm, Anchor E.; "lisa@rwbyram.com"

Subject: APPROVED NSL-7707\_Centennial Resources Production\_Vitalizer State Well No. 502H\_SEC 33 21S 34E

**Date:** Tuesday, May 15, 2018 9:54:00 AM

Importance: High

#### Mr. Adam Rankin.

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

# **Applicant: Centennial Resources Production, LLC [372165]**

## **NSL-7707**

WELL: Vitalizer State Well No. 502H [API #: 30-025-44499]

## **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: <a href="mailto:leonard.lowe@state.nm.us">leonard.lowe@state.nm.us</a>

Website: <a href="http://www.emnrd.state.nm.us/ocd/">http://www.emnrd.state.nm.us/ocd/</a>