

NSL-7726

Revised March 23, 2017

RECEIVED: 5/11/18	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL1813853794
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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: Tour Bus 23 State Com No. 602H Well

API: PENDING

Pool: Bone Spring Pool/Burton Flats; Wolfcamp, East

Pool Code: 96553

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 holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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.

Adam G. Rankin

Print or Type Name

Signature

May 11, 2018

Date

505-988-4421

Phone Number

agrarkin@hollandhart.com

e-mail Address



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

May 11, 2018

MAY 11 2018 4:11:20

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

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Tour Bus 23 State Com No. 602H Well in the E/2 W/2 of Section 23, Township 22 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 **Tour Bus 23 State Com No. 602H Well** (API No. Pending) to be completed within the Ojo Chiso; Bone Spring (Pool No. 96553) underlying Section 23, Township 22 South, Range 34 East, Lea County, New Mexico. This well will be drilled from a surface location 245 feet from the north line and 1,575 feet from the west line (Unit C) of Section 23. The upper most perforation will be located 350 feet from the north line and 1,650 feet from the west line (Unit C) and the lower most perforation point will be located 100 feet from the south line and 1,650 feet from the west line (Unit N). 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 southwestern and southern 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 Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Tour Bus 23 State Com No. 602H Well** encroaches on the spacing and proration units to the southwest and south.

Exhibit B is a land plat for Section 23 and the surrounding sections that shows the **Tour Bus 23 State Com No. 602H Well** in relation to adjoining units and existing wells.

HOLLAND & HART^{LLP}



Exhibit C is a list of the parties affected by the encroachment to the southwest and south. 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

May 11, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTS

TO AFFECTED PARTIES

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Tour Bus 23 State Com No. 602H Well in the E/2 W/2 of Section 23, Township 22 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**

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

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name TOUR BUS 23 STATE	⁶ Well Number 602H
⁷ OGRID No.	⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC	⁹ Elevation 3476.2'

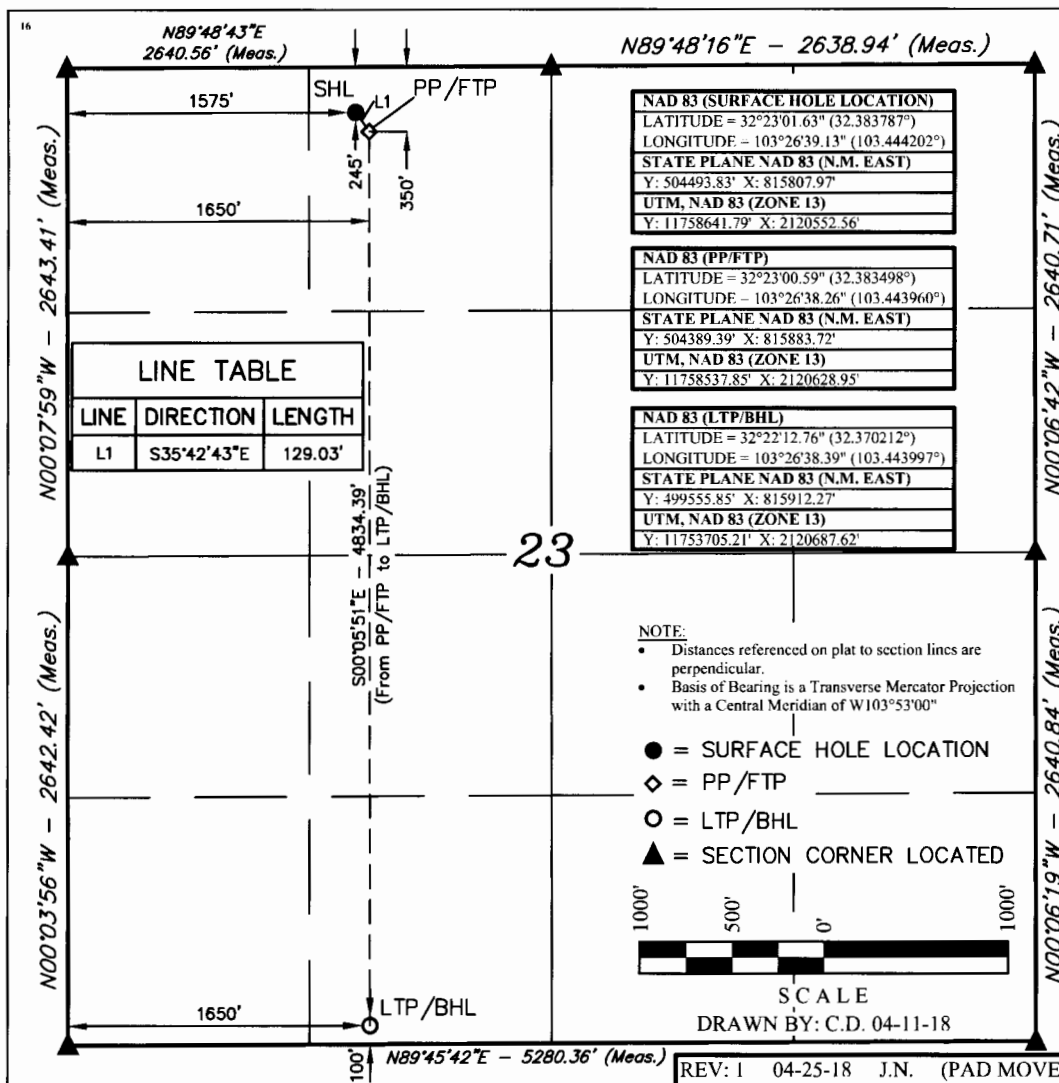
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	22S	34E		245	NORTH	1575	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

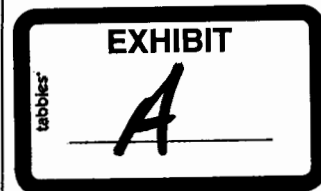
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	23	22S	34E		100	SOUTH	1650	WEST	LEA
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.



¹⁷ 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.

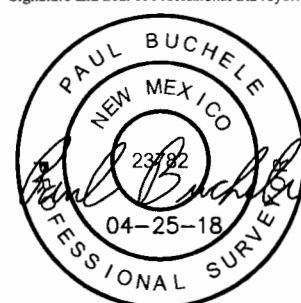


¹⁸ SURVEYOR CERTIFICATION

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.

APRIL 17, 2018

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

3

EXHIBIT C

Tract 1

Tract 2

BTA Oil Producers
104 S. Pecos
Midland, TX 79701

COG Operating, LLC
600 W. Illinois Ave.
Midland, TX 79701-14882

JJR, Inc.
2124 Broadway
Lubbock, TX 79401-2913

Samson Exploration Corp.
Samson Plaza
Two West Second St.
Tulsa, OK 74103

Clinton Pace
C/O Rhonda Pace Robertson
544 Comanche Dr.
Lubbock, TX 79404

Ryan Pace
C/O Rhonda Pace Robertson
544 Comanche Dr.
Lubbock, TX 79404

Tara N. Pace
Nuray K. Pace, Guardian
5716 Ridgemont Pl.
Midland, TX 79707

Aleyna N. Pace
Nuray K. Pace, Guardian
5716 Ridgemont Pl.
Midland, TX 79707

Terra Resources, Inc.
2001 Ross Ave.
Dallas, TX 75201-2293

TCB-2299, Inc.
Attn: Loan Management Group
712 Main St.
Box 2558
Houston, TX 77252-2558

F. D. I. C., as liquidator of 1st National
Bank, Midland
Virginia Square
L. William Seidman Center
3501 Fairfax Drive
Arlington, VA 22226

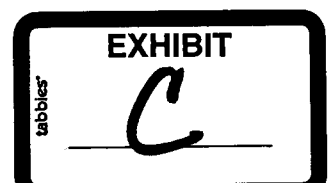
Robert K. Ryan, Sr.
39 Colonial Dr.
Manhasset, NY 11030

Panther City Exploration Co.
3220 N. Freeway
Ste. 112
Ft. Worth, TX 76111

Tribo Production Co., Ltd.
2801 Post Oak Blvd.
Ste. 400
Houston, TX 77056

NationsBank of Texas, from First
RepublicBank of Dallas
901 Main Street
Dallas, TX 75202

Enline Resources, L. P.
2001 Kirby
Ste. 1240
Houston, TX 77019





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.

Centennial Resources - Tour Bus 23 State Com 602H Well

CM#94344.0001 20180511

NSL List from UT

Shipment Date: 05/10/2018

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	16
Total	16

*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 0008 3968 69



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 ☐ Adult Signature Required ☐ Adult Signature Restricted Delivery ☒ Certified Mail ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery (COD) ☐ Insured Mail ☐ Priority Mail ☐ Priority Mail Express ☐ Registered Mail ☐ Return Receipt for Merchandise ☐ Signature Confirmation ☐ Signature Confirmation 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 8306 1120 27		BTA Oil Producers 104 S Pecos Midland TX 79701		1.63	3.45								1.50			
2. 9214 8901 9403 8306 1120 34		COG Operating LLC 600 W Illinois Avenue Midland TX 79701		1.63	3.45								1.50			
3. 9214 8901 9403 8306 1120 41		JJR Inc 2124 Broadway Lubbock TX 79401		1.63	3.45								1.50			
4. 9214 8901 9403 8306 1120 58		Samson Exploration Corp Samson Plaza Two West Second Street Tulsa OK 74103		1.63	3.45								1.50			Special Handling
5. 9214 8901 9403 8306 1120 65		Clinton Pace C/O Rhonda Pace Robertson 544 Comanche Drive Lubbock TX 79404		1.63	3.45								1.50			Signature Confirmation Restricted Delivery
6. 9214 8901 9403 8306 1120 72		Ryan Pace C/O Rhonda Pace Robertson 544 Comanche Drive Lubbock TX 79404		1.63	3.45								1.50			Signature Confirmation
7. 9214 8901 9403 8306 1120 89		Tara N Pace Nurray K Pace Guardian 5716 Ridgemon Place Midland TX 79707		1.63	3.45								1.50			Adult Signature Required
8. 9214 8901 9403 8306 1120 96		Alyna N Pace Nurray K Pace Guardian 5716 Ridgemon Place Midland TX 79707		1.63	3.45								1.50			Adult Signature Restricted Delivery
Total Number of Pieces Listed by Sender 16		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)												



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 ☐ Adult Signature Required ☐ Priority Mail Express ☐ Adult Signature Restricted Delivery ☐ Registered Mail ☒ Certified Mail ☐ Return Receipt for Merchandise ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation ☐ Collect on Delivery (COD) ☐ Signature Confirmation ☐ Insured Mail ☐ Signature Confirmation ☐ Priority Mail ☐ 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					
9.	9214 8901 9403 8306 1121 02	Terra Resources Inc 2001 Ross Avenue Dallas TX 75201		1.63	3.45	Handling Charge - if Registered and over \$50,000 in value							1.50								
10.	9214 8901 9403 8306 1121 19	TCB-2299 Inc Altix Loan Management Group 712 Main Street Box 2558 Houston TX 77252		1.63	3.45								1.50								
11.	9214 8901 9403 8306 1121 26	FDIC as liquidator of 1st National Bank Midland Virginia Square L William Sedman Center 3501 Fairfax Drive Arlington VA 22226		1.63	3.45								1.50								
12.	9214 8901 9403 8306 1121 33	Robert K Ryan Sr 39 Colonial Drive Manhasset NY 11030		1.63	3.45								1.50				Special Handling				
13.	9214 8901 9403 8306 1121 40	Panther City Exploration Co 3220 N Freeway Suite 112 Ft Worth TX 76111		1.63	3.45								1.50				Signature Confirmation Restricted Delivery				
14.	9214 8901 9403 8306 1121 57	Tribco Production Co Ltd 2801 Post Oak Blvd Suite 400 Houston TX 77056		1.63	3.45								1.50				Signature Confirmation				
15.	9214 8901 9403 8306 1121 64	Nations Bank of Texas from First Republic Bank of Dallas 901 Main Street Dallas TX 75202		1.63	3.45							1.50									
16.	9214 8901 9403 8306 1121 71	Enline Resources LP 2001 Kirby Suite 1240 Houston TX 77019		1.63	3.45							1.50									

Total Number of Pieces Listed by Sender 16	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)
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From: [Lowe, Leonard, EMNRD](#)
To: ["Adam Rankin"](#)
Cc: [Brown, Maxey G, EMNRD](#); [Kautz, Paul, EMNRD](#); ["lisa@rwbyram.com"](#); [Dawson, Scott, EMNRD](#); [Jones, William V, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Martin, Ed](#); [Holm, Anchor E.](#)
Subject: APPROVED NSL-7725 & -7726_Centennial Resources Production, LLC _Tour Bus 23 State Com Well No. 302H & 602H _SEC 23 22S 34E
Date: Wednesday, June 13, 2018 4:09:00 PM
Importance: High

Mr. Adam G. Rankin,

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>

ORDER No.: NSL-7725
APPLICANT: Centennial Resources Production, LLC [OGRID # 372165]
WELL: Tour Bus 23 State Com Well No. 302H [API #: 30-025-44774]
POOL: Ojo Chiso; Bone Spring [# 96553]

ORDER No.: NSL-7726
APPLICANT: Centennial Resources Production, LLC [OGRID # 372165]
WELL: Tour Bus 23 State Com Well No. 602H [API #: 30-025-44775]
POOL: Ojo Chiso; Bone Spring [# 96553]

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/>