

|                    |               |           |                        |
|--------------------|---------------|-----------|------------------------|
| RECEIVED: 10/04/18 | REVIEWER: LRL | TYPE: NSL | APP NO: pLEL1827737460 |
|--------------------|---------------|-----------|------------------------|

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:** LEGACY RESEVES OPERATING LP **OGRID Number:** 240974  
**Well Name:** LEA UNIT #64H **API:** 30-025-44735  
**Pool:** WC; BONE SPRING **Pool Code:** 97983

**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.**

Clay Roberts

Print or Type Name

CR Roberts

Signature

10/2/2018

Date

432-689-5206

Phone Number

croberts@legacylp.com

e-mail Address



September 21, 2018

Oil Conversation Division  
New Mexico Department of Energy, Minerals and Natural Resources  
1220 South Saint Francis Dr.  
Attn: Mr. Leonard Lowe

Re: Application of Legacy Reserves Operating LP for administrative approval of a non-standard location for its Lea Unit 64H well in Section 18 and 19, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico

Mr. Leonard Lowe:

Legacy Reserves Operating LP ("Legacy") (OGRID No. 240974) hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.13 NMAC for a non-standard well location for the Lea Unit #64H located in the E/2NW/4 of Section 19 and the E/2W/2 of Section 18, Township 20 South, Range 35 East, Lea County, New Mexico ("Well").

The Well is a First Bone Spring target and was originally planned to be directionally drilled to the west from the surface-hole-location in order to meet the 330 foot setback requirement from the eastern Lea Unit boundary. At the time the well was drilled no such directional drilling was undertaken and resulted in a portion of the Well being drilled inside of the 330 foot setback requirement. In order to complete this well, Legacy will need to secure an approved non-standard location from the NMOCD.

Exhibit A is well plat for Sections 19 and 18, Township 20 South, Range 35 East, Lea County, New Mexico showing the as-drilled, unorthodox location of the Well in relation to adjoining units. This location is unorthodox because a portion of the Well was drilled closer than 330 feet to the outer boundary of the Lea Unit boundary. As a result, the proposed completed interval will be closer to the eastern boundary of the Lea Unit than allowed by NMOCD rules. The Exhibit also defines and illustrates the portions of the Well that Legacy purposes to complete.

Exhibit B is a GIS map illustrating the proration unit of the Well in relation to the Lea Unit boundary as well as providing the operators of the affected tracts to the east of the Lea Unit.

Exhibit C is a list of the affected parties. Pursuant to 19.15.4.12(A) NMAC, affected parties are those toward whom the Well encroaches. The Well encroaches upon the W/2NE/4 Section 19, Township 20 South, Range 35 East, which is operated by Caza Petroleum. The Well also encroaches upon the W/2E/2 of Section 18, Township 20 South, Range 35 East, which is operated by Concho. Legacy hand delivered notice to both parties and will follow up by sending notice via certified mail.

Your attention to this application is appreciated

Sincerely,

Clay Roberts  
Landman

### Legacy Reserves

303 West Wall, Suite 1800 • Midland, Texas 79701 • P. O. Box 10848 • Midland, Texas 79702  
OFFICE 432-689-5200 • FAX 432-221-6399



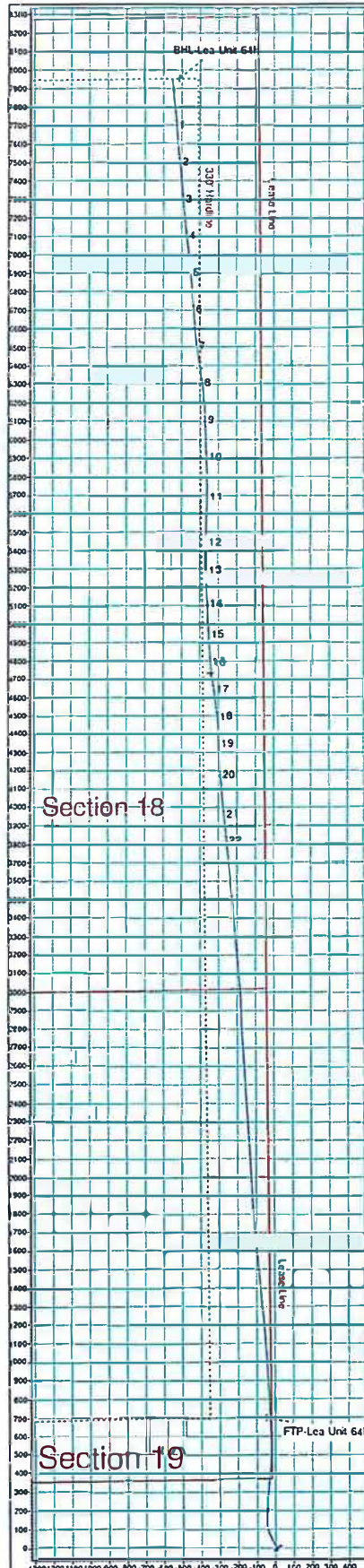
EXHIBIT "A"  
LEA UNIT #64H NSL APPLICATION

WELL DETAILS: Lea Unit #64H



+N/-S 0.00 +E/-W 0.00 Northing 567604.000 Ground Level: 3689.00 Easting 799156.100 32.557614°N Latitude -103.496537 Longitude

| REFERENCE INFORMATION                        |                        |
|----------------------------------------------|------------------------|
| Well Lea Unit #64H, Grid North               |                        |
| Co-ordinate (N/E) Reference: RKB @ 3715.90ft |                        |
| Vertical (TVD) Reference: RKB @ 3715.90ft    |                        |
| Measured Depth Reference: Minimum Curvature  |                        |
|                                              | Azimuths to Grid North |
|                                              | True North: -0.45°     |
|                                              | Magnetic North: 6.27°  |
|                                              | Magnetic Field         |
|                                              | Strength: 48204.7nT    |
| Dip Angle: 60.52°                            |                        |
| Date: 7/12/2018                              |                        |
| Model: IGRF2008                              |                        |
| Project: Lea County, NM (NAD83)              |                        |
| Site: Lea                                    |                        |
| Well: Lea Unit #64H                          |                        |
| Datum: North American Datum 1983             |                        |
| Design: Original Wellbore                    |                        |

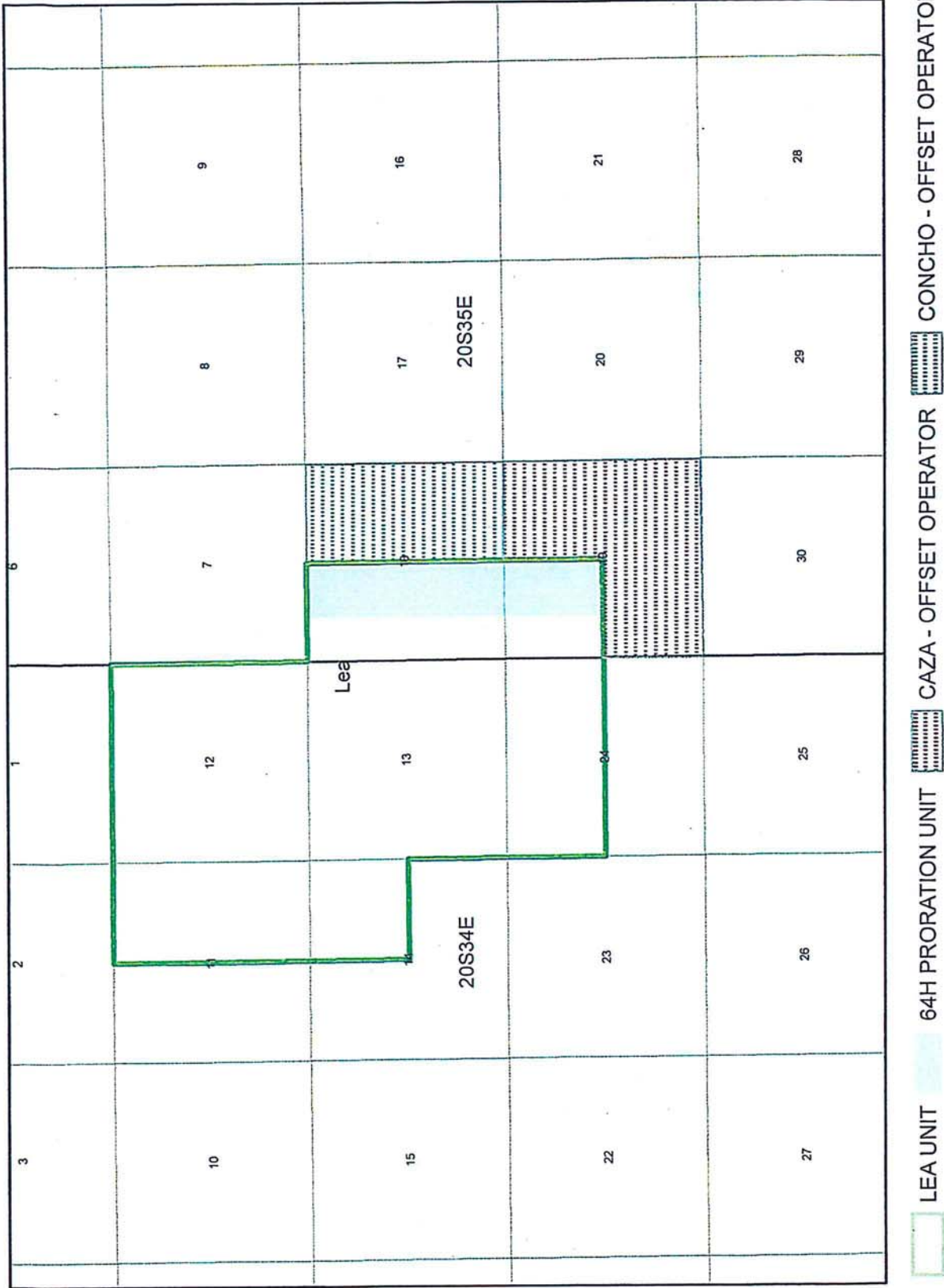


| Frac Stages - 64H |       |        |         |         |         |          |           |       |  |
|-------------------|-------|--------|---------|---------|---------|----------|-----------|-------|--|
| MD                | Inc   | Azi    | TVD     | +N/-S   | +E/-W   | VSecl    | Departure | Stage |  |
| 13470.03          | 90.55 | 354.48 | 9826.79 | 3840.20 | -259.47 | -2933.62 | 4028.95   | 22    |  |
| 13610.03          | 90.78 | 354.17 | 9825.41 | 3979.43 | -274.05 | -3036.90 | 4168.94   | 21    |  |
| 13830.03          | 91.12 | 355.80 | 9821.44 | 4198.58 | -292.85 | -3201.94 | 4388.91   | 20    |  |
| 14000.03          | 91.13 | 357.91 | 9817.81 | 4368.30 | -301.70 | -3333.15 | 4558.87   | 19    |  |
| 14150.03          | 91.17 | 354.18 | 9815.07 | 4517.98 | -310.56 | -3448.23 | 4708.84   | 18    |  |
| 14300.03          | 89.39 | 352.06 | 9812.75 | 4666.73 | -329.55 | -3556.56 | 4858.82   | 17    |  |
| 14450.03          | 88.64 | 355.73 | 9818.74 | 4815.51 | -347.25 | -3665.66 | 5008.88   | 16    |  |
| 14600.03          | 90.03 | 357.80 | 9820.49 | 4965.27 | -355.37 | -3781.26 | 5158.67   | 15    |  |
| 14767.03          | 91.69 | 357.30 | 9817.70 | 5132.11 | -361.70 | -3911.66 | 5325.63   | 14    |  |
| 14950.03          | 91.40 | 358.77 | 9812.62 | 5314.68 | -369.21 | -4054.15 | 5506.57   | 13    |  |
| 15100.03          | 91.74 | 1.57   | 9808.53 | 5464.81 | -358.71 | -4175.00 | 5658.51   | 12    |  |
| 15350.03          | 91.24 | 359.98 | 9802.63 | 5714.63 | -362.13 | -4379.80 | 5908.44   | 11    |  |
| 15567.03          | 91.37 | 357.97 | 9797.86 | 5931.52 | -366.88 | -4551.37 | 6125.39   | 10    |  |
| 15767.03          | 91.36 | 357.88 | 9792.79 | 6131.38 | -372.34 | -4708.83 | 6325.32   | 9     |  |
| 15967.03          | 91.02 | 351.80 | 9788.81 | 6350.35 | -391.24 | -4857.58 | 6525.28   | 8     |  |
| 16167.03          | 91.67 | 353.42 | 9783.74 | 6528.28 | -419.25 | -5000.09 | 6725.22   | 7     |  |
| 16367.03          | 91.26 | 356.00 | 9779.15 | 6727.39 | -437.23 | -5149.50 | 6925.16   | 6     |  |
| 16567.03          | 91.44 | 354.57 | 9774.74 | 6926.59 | -454.47 | -5299.42 | 7125.11   | 5     |  |
| 16767.03          | 90.50 | 353.98 | 9772.86 | 7125.47 | -475.37 | -5446.92 | 7325.10   | 4     |  |
| 16967.03          | 91.38 | 354.73 | 9769.23 | 7324.52 | -494.41 | -5595.65 | 7525.06   | 3     |  |
| 17167.03          | 90.93 | 354.13 | 9764.88 | 7523.60 | -513.04 | -5744.66 | 7725.01   | 2     |  |
| 17367.03          | 91.50 | 355.06 | 9760.41 | 7722.80 | -530.34 | -5894.55 | 7924.97   | 1     |  |



EXHIBIT "B"

LEA UNIT #64H NSL APPLICATION



**EXHIBIT "C"**  
**LEA UNIT #64H NSL APPLICATION**

Caza Petroleum Inc.  
200 N. Loraine St. #1550  
Midland, Texas 79701

Concho Operating LLC  
600 W. Illinois Ave.  
Midland, Texas 79701

**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 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) 476-3460 Fax: (505) 476-3462

## State of New Mexico

Energy, Minerals &amp; Natural Resources Department

**OIL CONSERVATION DIVISION**  
1220 South St. Frances 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**

|                            |                                               |                              |
|----------------------------|-----------------------------------------------|------------------------------|
| API Number<br>30-025-44735 | Pool Code<br>97983                            | Pool Name<br>WC; Bone Spring |
| Property Code              | Property Name<br>LEA UNIT                     | Well Number<br>64H           |
| OGRID No.<br>240974        | Operator Name<br>LEGACY RESERVES OPERATING LP | Elevation<br>3689'           |

**Surface Location**

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 19      | 20 S     | 35 E  |         | 2270          | SOUTH            | 2619          | EAST           | 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 |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| C               | 18              | 20 S               | 35 E      |         | 333           | NORTH            | 2168          | WEST           | LEA    |
| Dedicated Acres | Joint or Infill | Consolidation Code | 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

**NOTE:**

1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1983. Distances shown hereon are mean horizontal surface values.

As-Drilled Path based on Downhole Report provided by Legacy Reserves received August 31, 2018.  
Prepared From Survey  
Dated: August 11, 2015

**BOTTOM HOLE LOCATION**  
Plane Coordinate (NAD '83)  
X = 798,604.37  
Y = 575,555.73  
Geodetic Coordinate (NAD '83)  
Latitude = 32.57948130° N  
Longitude = 103.49812513° W

**LAST TAKE POINT LOCATION**  
Plane Coordinate (NAD '83)  
X = 798,608.89  
Y = 575,505.96  
Geodetic Coordinate (NAD '83)  
Latitude = 32.57934443° N  
Longitude = 103.49811170° W

**FIRST TAKE POINT**  
Plane Coordinate (NAD '83)  
X = 798,895.35  
Y = 571,457.13  
Geodetic Coordinate (NAD '83)  
Latitude = 32.56821020° N  
Longitude = 103.49728507° W

**SURFACE LOCATION**  
Plane Coordinate (NAD '83)  
X = 799,156.12  
Y = 567,604.03  
Geodetic Coordinate (NAD '83)  
Latitude = 32.55761444° N  
Longitude = 103.49653700° W

**Scale**  
1" = 2000'

**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.

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.

August 11, 2015

Date of Survey \_\_\_\_\_ SC

Signature & Seal of Professional Surveyor  
10-03-18  
LINDSAY GYGAX  
NEW MEXICO  
23263  
PROFESSIONAL SURVEYOR

W.O. Num. 2015-0000000000

Certificate No. Lindsay Gyax 23263

## **Lowe, Leonard, EMNRD**

---

**From:** Clay Roberts <croberts@legacyreserves.com>  
**Sent:** Tuesday, October 23, 2018 4:24 PM  
**To:** Lowe, Leonard, EMNRD  
**Subject:** [EXT] RE: NSL Administrative Application  
**Attachments:** 64H - C-102.pdf

Mr. Lowe:

Correct, as originally intended this well would produce from both pools.

Legacy only completed portions of the well in the Wildcat; Bone Spring (E/2W/2 Section 18-20S-35E)

- Our FTP is 212' from the lease line.
- Concho the affected party gave waiver for Legacy completing up to 165' from the lease line.

Legacy drilled the Lea; Bone Spring, South (E/2NW/4 Section 19-20S-35E) with the expectation to complete it, but it was drilled entirely unorthodox due to miscommunication between the drilling engineer and the directional team. Caza, the affected party offsetting that tract, would not grant a waiver.

- Legacy ultimately decided to not complete any part of the E/2NW/4. As indicated on the C-102 attached (also attached to the application) Legacy's FTP is 844' FSL and 2,428' FWL of Section 18-20S-35E in order to not encroach upon Caza.

Thanks,

Clay Roberts  
Landman  
432-689-5206



---

**From:** Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]  
**Sent:** Tuesday, October 23, 2018 4:43 PM  
**To:** Clay Roberts  
**Subject:** RE: NSL Administrative Application

Mr. Roberts,

This API No. 30-025-44735 appears to be within two pools:

1. Lea; Bone Spring, South (#37580)
2. Wildcat; Bone Spring (#97983)

Your BHL is different on both C-102s. Different wells?

Your Lea; Bone Spring, South is "orthodox"?

Please update me

**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](mailto:leonard.lowe@state.nm.us)Website: <http://www.emnrd.state.nm.us/ocd/>

---

**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>**Sent:** Tuesday, October 23, 2018 2:38 PM**To:** Lowe, Leonard, EMNRD <[Leonard.Lowe@state.nm.us](mailto:Leonard.Lowe@state.nm.us)>**Subject:** [EXT] RE: NSL Administrative Application

Ok great. Thank you for help on this.

Clay Roberts

Landman

432-689-5206



---

**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]**Sent:** Tuesday, October 23, 2018 3:37 PM**To:** Clay Roberts**Subject:** RE: NSL Administrative Application

Your application is under review.

**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](mailto:leonard.lowe@state.nm.us)Website: <http://www.emnrd.state.nm.us/ocd/>

---

**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>**Sent:** Tuesday, October 23, 2018 2:07 PM**To:** Lowe, Leonard, EMNRD <[Leonard.Lowe@state.nm.us](mailto:Leonard.Lowe@state.nm.us)>**Subject:** [EXT] RE: NSL Administrative Application



I believe that Concho is the only affected party based on the facts stated below.

- The completed interval of the 64H falls only in the E/2W/2 of Section 18-20S-35E. Concho is the affected party in the W/2E/2 of Section 18-20S-35E.
- I have been in contact with Caza and have submitted notice to them in regard to this application. Caza would be an affected part if Legacy had completed any portion of the well in the E/2NW/4 of Section 19-20S-35E.
- The Horizontal Spacing Unit is only the E/2W/2 of Section 18-20S-35E. Caza is no longer an affected party.

Do you agree?

Clay Roberts  
Landman  
432-689-5206



---

**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]  
**Sent:** Tuesday, October 23, 2018 2:22 PM  
**To:** Clay Roberts  
**Subject:** RE: NSL Adimistrative Application

Mr. Roberts,

Are Concho the only affected party in the stated affected tract?

**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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>

---

**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>  
**Sent:** Tuesday, October 23, 2018 1:02 PM  
**To:** Lowe, Leonard, EMNRD <[Leonard.Lowe@state.nm.us](mailto:Leonard.Lowe@state.nm.us)>  
**Subject:** [EXT] RE: NSL Adimistrative Application

Mr. Lowe,

Please find attached to this email the NSL waiver executed by Concho, the affected party, in Legacy's Lea Unit 64H NSL Application. Concho has waived any claim regarding Legacy's Lea Unit 64H NSL, so long as the nearest completed portion of the well is no closer than 165' from Concho's lease line. Legacy's as completed application meets this restriction.

Please let me know if you have any questions. Thank you for your help in this matter.

Clay Roberts  
Landman  
432-689-5206



---

**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]  
**Sent:** Thursday, October 04, 2018 11:43 AM  
**To:** Clay Roberts  
**Subject:** RE: NSL Administrative Application  
**Importance:** High

Mr. Clay Roberts,

What is your dedicated Horizontal Spacing Unit acreage? Acres.  
What are you seeking Oil or Gas?

**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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>

---

**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>  
**Sent:** Thursday, October 4, 2018 8:04 AM  
**To:** Lowe, Leonard, EMNRD <[Leonard.Lowe@state.nm.us](mailto:Leonard.Lowe@state.nm.us)>  
**Cc:** Jones, William V, EMNRD <[WilliamV.Jones@state.nm.us](mailto:WilliamV.Jones@state.nm.us)>; 'jbrown@cazapetro.com' <[jbrown@cazapetro.com](mailto:jbrown@cazapetro.com)>; [sjohnson@concho.com](mailto:sjohnson@concho.com)  
**Subject:** [EXT] RE: NSL Administrative Application

Mr. Lowe,

Please find attached to this email the as-drilled, as completed C-102 for Lea Unit 64H. This well is not on production and will not produce until Legacy receives an approved NSL application. The C-102 provides the information you listed as missing from Legacy's application in your email from Monday, October 1, 2018.

- API Number
- Formation
- Pool Code
- First and Last Take Point

Also, please find attached the NSL Application with the new NMOCD checklist, as requested.

I have CC'd representatives from both of the affected parties, Caza and Concho, to this email. I have been in contact with both parties working to find agreeable solutions in order to avoid a hearing.

If you need any further information please give me a call.

Clay Roberts  
Landman  
432-689-5206



---

**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]  
**Sent:** Monday, October 01, 2018 1:09 PM  
**To:** Clay Roberts  
**Cc:** Jones, William V, EMNRD  
**Subject:** NSL Administrative Application  
**Importance:** High

Mr. Clay Roberts,

Good afternoon,

OCD Santa Fe received your NSL Administrative Application for Legacy Reserves Operating LP's Lea Unit No. 64H Well.

Your request is lacking the following;

The OCD has an updated Administrative application, Revised 03/23/17. Please use the most dated Administrative Application form. I have attached this form to this e-mail, PLEASE USE.

Your Application did not have a Form C-102, please provide one.

What are your First and Last Take Points?

What Formation are you seeking? What is the pool you are seeking?

What is your API No.? If not provided yet, at least state so but indicating 30-0XX-PENDING.

For the lack of information you have provided to the OCD for an approval, the OCD hopes that you have provided these vital information to the Affected Parties. If not, then your Public Notice will need to be provided.

Provide a spread sheet identifying your affected parties and where they are located.

Along with that spread sheet, provide a map showing the affected parties via Tract Numbering.

Your application is INCOMPLETE at this time. Your 20 day will start once we received a COMPLETED APPLICATION.

**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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>

## **Disclaimer**

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## **Disclaimer**

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## **Lowe, Leonard, EMNRD**

---

**From:** Clay Roberts <croberts@legacyreserves.com>  
**Sent:** Thursday, October 4, 2018 8:04 AM  
**To:** Lowe, Leonard, EMNRD  
**Cc:** Jones, William V, EMNRD; 'jbrown@cazapetro.com'; sjohnson@concho.com  
**Subject:** [EXT] RE: NSL Administrative Application  
**Attachments:** 64H - C-102.pdf; LEA UNIT 64H - APPLICATION WITH NEW CHECKLIST.pdf

Mr. Lowe,

Please find attached to this email the as-drilled, as completed C-102 for Lea Unit 64H. This well is not on production and will not produce until Legacy receives an approved NSL application. The C-102 provides the information you listed as missing from Legacy's application in your email from Monday, October 1, 2018.

- API Number
- Formation
- Pool Code
- First and Last Take Point

Also, please find attached the NSL Application with the new NMOCD checklist, as requested.

I have CC'd representatives from both of the affected parties, Caza and Concho, to this email. I have been in contact with both parties working to find agreeable solutions in order to avoid a hearing.

If you need any further information please give me a call.

Clay Roberts  
Landman  
432-689-5206



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**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]  
**Sent:** Monday, October 01, 2018 1:09 PM  
**To:** Clay Roberts  
**Cc:** Jones, William V, EMNRD  
**Subject:** NSL Administrative Application  
**Importance:** High

Mr. Clay Roberts,

Good afternoon,

OCD Santa Fe received your NSL Administrative Application for Legacy Reserves Operating LP's Lea Unit No. 64H Well.

Your request is lacking the following;



## **Lowe, Leonard, EMNRD**

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**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>  
**Sent:** Thursday, October 4, 2018 4:32 PM  
**To:** Lowe, Leonard, EMNRD  
**Subject:** [EXT] RE: NSL Adimistrative Application

Leonard,

Legacy wants the dedicated acreage to be the E/2W/2 Section 18-20S-35E.  
Seeking Oil.

Clay Roberts  
Landman  
432-689-5206



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**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]  
**Sent:** Thursday, October 04, 2018 11:43 AM  
**To:** Clay Roberts  
**Subject:** RE: NSL Adimistrative Application  
**Importance:** High

Mr. Clay Roberts,

What is your dedicated Horizontal Spacing Unit acreage? Acres.  
What are you seeking Oil or Gas?

### **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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>

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**From:** Clay Roberts <[croberts@legacyreserves.com](mailto:croberts@legacyreserves.com)>  
**Sent:** Thursday, October 4, 2018 8:04 AM  
**To:** Lowe, Leonard, EMNRD <[Leonard.Lowe@state.nm.us](mailto:Leonard.Lowe@state.nm.us)>  
**Cc:** Jones, William V, EMNRD <[WilliamV.Jones@state.nm.us](mailto:WilliamV.Jones@state.nm.us)>; 'jbrown@cazapetro.com' <[jbrown@cazapetro.com](mailto:jbrown@cazapetro.com)>; [sjohnson@concho.com](mailto:sjohnson@concho.com)  
**Subject:** [EXT] RE: NSL Adimistrative Application

Mr. Lowe,

Please find attached to this email the as-drilled, as completed C-102 for Lea Unit 64H. This well is not on production and will not produce until Legacy receives an approved NSL application. The C-102 provides the information you listed as missing from Legacy's application in your email from Monday, October 1, 2018.

- API Number
- Formation
- Pool Code
- First and Last Take Point

Also, please find attached the NSL Application with the new NMOCD checklist, as requested.

I have CC'd representatives from both of the affected parties, Caza and Concho, to this email. I have been in contact with both parties working to find agreeable solutions in order to avoid a hearing.

If you need any further information please give me a call.

Clay Roberts  
Landman  
432-689-5206



---

**From:** Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]

**Sent:** Monday, October 01, 2018 1:09 PM

**To:** Clay Roberts

**Cc:** Jones, William V, EMNRD

**Subject:** NSL Administrative Application

**Importance:** High

Mr. Clay Roberts,

Good afternoon,

OCD Santa Fe received your NSL Administrative Application for Legacy Reserves Operating LP's Lea Unit No. 64H Well.

Your request is lacking the following;

The OCD has an updated Administrative application, Revised 03/23/17. Please use the most dated Administrative Application form. I have attached this form to this e-mail, PLEASE USE.

Your Application did not have a Form C-102, please provide one.

What are your First and Last Take Points?

What Formation are you seeking? What is the pool you are seeking?

What is your API No.? If not provided yet, at least state so but indicating 30-0XX-PENDING.

For the lack of information you have provided to the OCD for an approval, the OCD hopes that you have provided these vital information to the Affected Parties. If not, then your Public Notice will need to be provided.

Provide a spread sheet identifying your affected parties and where they are located.

Along with that spread sheet, provide a map showing the affected parties via Tract Numbering.

**Your application is INCOMPLETE at this time. Your 20 day will start once we received a COMPLETED APPLICATION.**

**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](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/oed/>

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Friday, November 2, 2018 7:21 PM  
**To:** 'Clay Roberts'  
**Cc:** Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Dawson, Scott, EMNRD; Goetze, Phillip, EMNRD; 'jglover@blm.gov'; 'jstovall@blm.gov'  
**Subject:** APPROVED NSL-7769\_Legacy Reserves Operating, L.P.\_Lea Unit Well No. 604H\_SEC 19 20S 35E  
**Importance:** High

Mr. Clay Roberts,

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>

### **NSL-7769**

Legacy Reserves Operating, L.P.

API #: 30-025-44735

WELL: Lea Unit Well No. 604H

### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

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Office: 505-476-3492

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E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>