

NSL Initial Application

Received: 10/01/19

P.O. No: 1AQRV-191001-NSL000

Revised March 23, 2017

RECEIVED: 10/01/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1927526991
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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: Great Western Drilling Co.	OGRID Number: 009338
Well Name: Saunders 26 State No. 1	API: 30-015-46336
Pool: WC-025 G-10 S143326C	Pool Code: 98323

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

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 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

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.

Sharon T. Shaheen

Print or Type Name

Sharon T. Shaheen

Signature

10/1/19
Date

505-986-2678
Phone Number

sshhaheen@montand.com
e-mail Address



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

October 1, 2019

Filed through the OCD's e-filing system

Adrienne Sandoval, Director
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

**RE: Great Western Drilling Company, OGRID #009338
Request for Administrative Approval of Non-Standard Location**

Saunders 26 State No. 001
Section 26, T14S, R33E
Lea County, New Mexico
WC-025 G-10 S143326C; Devonian [98323]
API# 30-025-46336

Dear Ms. Sandoval,

Pursuant to Division Rule 19.15.15.13(B)-(D) NMAC, Great Western Drilling Company ("Great Western Drilling") requests administrative approval of a non-standard location for the above-referenced vertical well, as described more fully below.

The proposed Saunders 26 State No. 1 will target the Devonian formation for production of oil in a 40-acre unit located in the NE/4 NW/4 (Lot C) of Section 26, Township 14 South, Range 33 East. The proposed surface location is 150 feet FNL and 1900 feet FWL of Section 26. As this is a vertical well, the proposed bottom hole location is the same as the surface location.

Under the Rules, a vertical oil well is to be no closer than 330 feet from the outer boundary of the spacing unit. 19.15.15.9(A) NMAC. Great Western Drilling is requesting approval to locate this vertical well 150 feet from the northern boundary of the spacing unit instead of 330 feet away or further. All other setbacks are within state-wide requirements.

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

The above-referenced well is a 3D seismic-based prospect that targets the Devonian formation. The proposed surface location is on the crest of the seismic feature. This Application is being made due to the strong water drive reservoir in the Devonian formation, where such a location will assure maximum recovery of oil from the formation. Placing the location where Great Western Drilling is proposing the well would also allow for potential north and south offsets to be drilled on the structural closure.

Enclosed is a draft Form C-102; a plat showing the spacing unit, the proposed unorthodox well location, and the adjoining 40-acre offset tract; and a list of the owners in the 40-acre offset tract.

Great Western Drilling provided actual notice of this application to the two affected persons entitled to notice pursuant to Division Rule 19.15.4.12(A)(2) NMAC, by hand-delivering a copy of this application and all attachments thereto. The notice informed the affected persons that, if they object to the aforementioned requests, they must file the objection in writing with the Division within 20 days from the date the Division receives this administrative approval request. Both affected parties chose to waive their right to object, and the signed waivers are attached hereto.

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

Very truly yours,



Sharon T. Shaheen

STS/lt
Enclosures
ec: Carter Muire, Great Western Drilling Company

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) 748-0720
 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, New Mexico 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 30-025-46336	Pool Code 98323	Pool Name WC-025 G-10 S143326C; DEVONTAN
Property Code 326033	Property Name SAUNDERS 26 STATE	
OGRID No. 9338	Operator Name GREAT WESTERN DRILLING COMPANY	Well Number 1
		Elevation 4189'

Surface Location

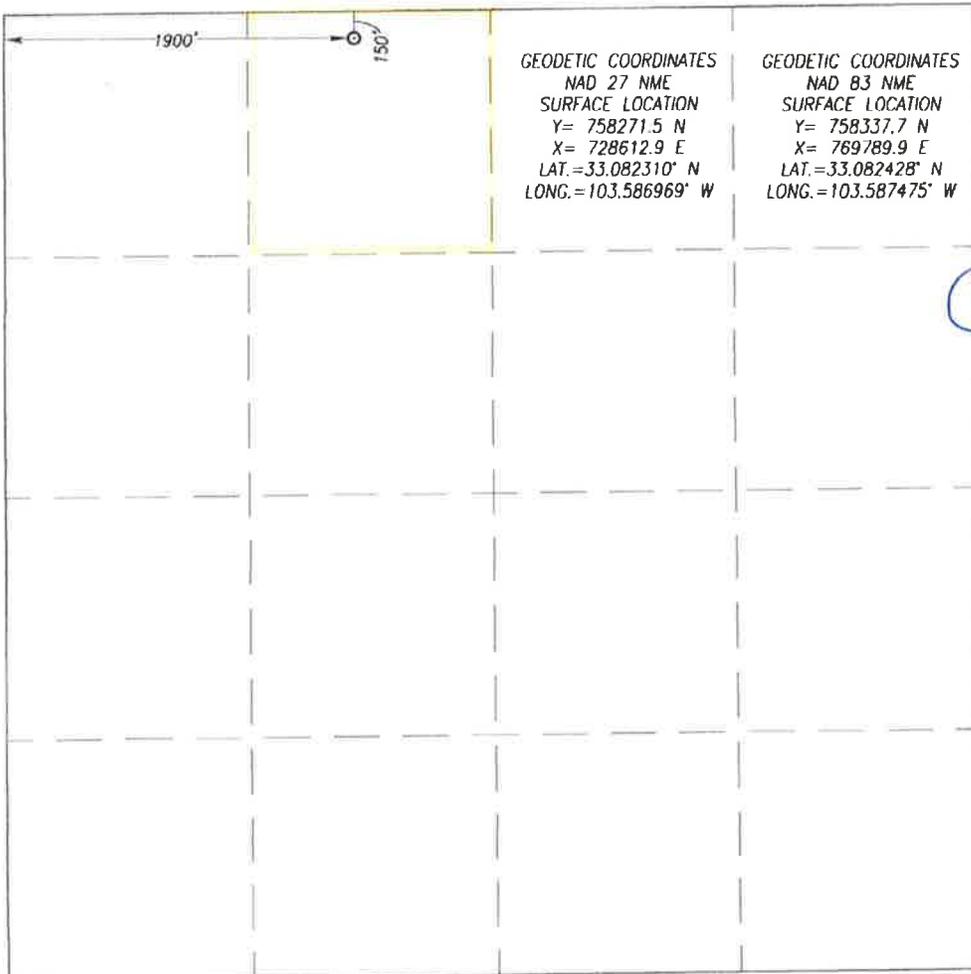
UL. or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	14-S	33-E	C	150	NORTH	1900	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Gina King 7-22-2019
 Signature Date
 Gina King
 Printed Name
 gking@gwdc.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 16, 2019

Date of Survey
 Signature & Seal of Professional Surveyor:

Ronald J. Eidson 5/24/2019
 Certificate Number: Gary G. Eidson 12641
 Ronald J. Eidson 3239
 LSL JWSC W.O. 19.11.0637

LIST OF AFFECTED PARTIES

OFFSET TRACT DEPICTED IN BLUE ON THE PRECEDING PAGE

Type	Affected Party	Location	Date Letter Hand-Delivered
WIO	WTG Exploration, Inc.	SE4 SW4 23 14S 33E	September 12, 2019
WIO	Paleozoic Petroleum LLC	SE4 SW4 23 14S 33E	September 12, 2019



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

September 12, 2019

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTERESTED PARTIES ON THE ATTACHED LISTS

**Re: Administrative Application for Non-Standard Location
Great Western Drilling Company
OGRID Number: 009338**

Saunders 26 State No. 001

API# 30-015-46336

Section 26, T14S, R33E

Lea County, NM

Pool: WC-025 G-10 S143326C; Devonian

Pool Code: 98323

Ladies and Gentlemen:

Pursuant to New Mexico Oil Conservation Division Rule 19.15.15.13(B)-(D) NMAC, Great Western Drilling Company ("Great Western Drilling") is seeking administrative approval of a non-standard location for the above-referenced well. A copy of the application is enclosed, which explains the basis for the non-standard location.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, directed to the attention of Leonard Lowe.

REPLY TO:

325 Paseo de Peralta

Santa Fe, New Mexico 87501

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Post Office Box 2307

Santa Fe, New Mexico 87504-2307

All Interested Parties
September 12, 2019
Page 2

Should you consent to the application and the proposed well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to Carter Muire at your earliest convenience.

Please give me or Mr. Muire (432-682-5241) a call if you have any questions about the application.

Very truly yours,



Sharon T. Shaheen

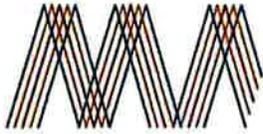
Enclosure

WAIVER OF OBJECTION:

PALEOZOIC PETROLEUM LLC

By: D. J. Cumwell Date: 18 Sep 2019
Signature

Owner Paleozoic Petroleum LLC
(Printed Name and Title)



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

September 12, 2019

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Pool Code: 98323**

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Very truly yours,



Sharon T. Shaheen

Enclosure

WAIVER OF OBJECTION:

WTG EXPLORATION, INC.

By: David L. Davis Date: September 18, 2019
Signature

David L. Davis, President
(Printed Name and Title)

APPLICATION NON-STANDARD LOCATION – ADDRESS LIST

Saunders 26 State No. 1

Paleozoic Petroleum LLC
2008 Country Club Drive
Midland, TX 79701

WTG Exploration, Inc.
Attn: David L. Davis, Pres.
401 West Wadley
Midland, TX 79705-5339