

NSL

Order

Approved: 02/03/20

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



February 3, 2020

Ms. Kaitlyn A. Luck kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-7984

Centennial Resource Production, LLC [OGRID 372165] Winnebago 30 State Com #501H API No. 30-025-46401

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	450 FSL & 1070 FWL	4	30	22S	35E	Lea
First Take Point	118 FSL & 327 FWL	M	30	22S	35E	Lea
Last Take Point/	100 FNL & 350 FWL	D	19	22S	35E	Lea
Terminus	88 FNL & 350 FWL	1	19	22S	35E	Lea

Proposed Horizontal Spacing Unit

Description	Acres	Pool	Pool Code
W2 W2 of Section 19	309.36	Ojo Chiso; Bone Spring South	97293
W2 W2 of Section 30		decide and the second second	

Reference is made to your application received on January 22, 2020.

You have requested to complete this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 254 feet to the western edge. Encroachments will impact the following tracts.

Section 24-T22S-R34E, encroachment to the NE/4 SE/4 & SE/4 NE/4

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches. All waivers were signed; therefore, the notice duration is no longer valid.

The Division understands you seek this location because of difficulties encountered during drilling operations and thereby preventing waste of oil and gas reserves underlying the horizontal spacing unit located within the Bone Spring formation underlying the W/2 W/2 of Section 30 and Section 19 -T22S-R34E.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

ADRIENNE E. SANDOVAL

Division Director

AES/JAG

cc: Oil Conservation Division – Hobbs District Office

State Land Office – Oil, Gas, and Minerals Division

Garcia, John A, EMNRD

From: Garcia, John A, EMNRD

Sent: Tuesday, February 4, 2020 2:05 PM

To: Kaitlyn A. Luck

Cc: Cox, Scott, EMNRD; Lamkin, Baylen, EMNRD; McClure, Dean, EMNRD; Rose-Coss, Dylan H, EMNRD;

Goetze, Phillip, EMNRD; Lowe, Leonard, EMNRD; Simmons, Kurt, EMNRD; Murphy, Kathleen A,

EMNRD; Warnell, Terry G, EMNRD; Bratcher, Mike, EMNRD; Holm, Anchor E.; 'lisa@RWBYRAM.COM'

Subject: APPROVED NSL-7984_Centennial Resources Production, LLC_Winnebago 30 State Com #501H 4_SEC

30 22S 35E

Attachments: NSL-7984_Centennial Res Prod_Winnebago 30 State Com No. 501H_1.22.20-Signed.pdf

Kaitlyn,

The following NSL 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-7984

Centennial Resources Production, LLC Winnebago 30 State Com #501H API No. 30-025-46401

Thank you,

John Garcia

Petroleum Specialist
Oil Conservation Division
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Santa Fe, New Mexico 87505
505-476-3441

