

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - 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

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR  
 [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Heather Riley \_\_\_\_\_ Signature \_\_\_\_\_ Regulatory Team Lead \_\_\_\_\_ 2/11/2014 \_\_\_\_\_ Date \_\_\_\_\_  
 Print or Type Name  
 Heather.riley@wpenergy.com \_\_\_\_\_ e-mail Address \_\_\_\_\_

Chaco 2307-131 #187H

2015  
 - WSL  
 - WPX Energy Production LLC 20782  
 2014 FEB 12 P 2:45  
 RECEIVED OGD  
 well  
 - Chaco 2307-131 #187H  
 30-043-Pending Pool  
 - Lybrook Gallup



***Sent via Overnight Delivery***

February 11, 2014

Jami Bailey  
Division Director  
NEW MEXICO OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

*Re: Request for Administrative Approval for Non-Standard Lybrook Gallup Lateral  
Chaco 2307-131 #187H  
API#: Not yet assigned  
Sec. 13, T23N, R7W*

Dear Ms. Bailey:

WPX Energy Production, LLC ("WPX"), pursuant to the provisions of Division Rule 19.15.15.13, hereby seeks administrative approval of an unorthodox location for the Lybrook Gallup (42289) formation in the Chaco 2307-131 #187H. This is a horizontal well with a surface location of 1750' FSL and 423' FEL, Section 13, T23N, R7W and an end of lateral location of 1206' FSL & 230' FWL, Section 13, T23N, R7W. See attached plat.

This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. Initially the Lybrook Gallup Pool was set up with Special Pool Rules under Order No. R-2267 but these rules were later abolished with Order No. R-2267-B. The new Special Rules for Horizontal Wells under Division Rule 19.15.16.15(B)(3) also apply and state no internal setbacks are required within a project area. Given these setback requirements, the producing interval in the lateral is encroaching the N/2 of the S/2 of Section 13, T23N R7W in that it is approximately 62' from the unit boundary.

The spacing for the subject well is the S/2 of the S/2 of section 13 consisting of 4 consecutive parcels containing 40 acres more or less and totaling 160 acres. The spacing unit being encroached upon is the N/2 of the S/2 of Section 13 also consisting of 4 consecutive parcels containing 160 acres. All of Section 13 is operated by WPX and ownership is 100% WPX therefore no affected owner letters are required pursuant to NMOCD rules.



Please note that the maximum perforation range for the lateral will from 6,033' MD to 10,491' MD which are legal as to the east and west lines.

**EAST LINE EXPLANATION:** Referring to the plat, the Point of Entry is at 380' from the east line of Section 13 which correlates with approximately 6,031' MD. The top perforation is at 6,033' which is 2' past the Point of Entry so the distance from the east line for the perforation is 382'.

**WEST LINE EXPLANATION:** Our end of lateral is shown at 230' from the west line, which correlates to 10,592 MD. The deepest perforation would be the lower port in a RSI tool which would be set no deeper than 10,491' which correlates to 331' from the west line.

Should you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Heather Riley".

Heather Riley  
Regulatory Team Lead

Enc.: C-102

District I  
1525 N. French Drive, Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

District II  
811 S. First Street, 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 Drive, Santa Fe, NM 87505  
Phone: (505) 476-3450 Fax: (505) 476-3452

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to  
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 42289	*Pool Name LYBROOK GALLUP
*Property Code	*Property Name CHACO 2307-13I		*Well Number 187H
*GRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC		*Elevation 6925'

<sup>10</sup> Surface Location

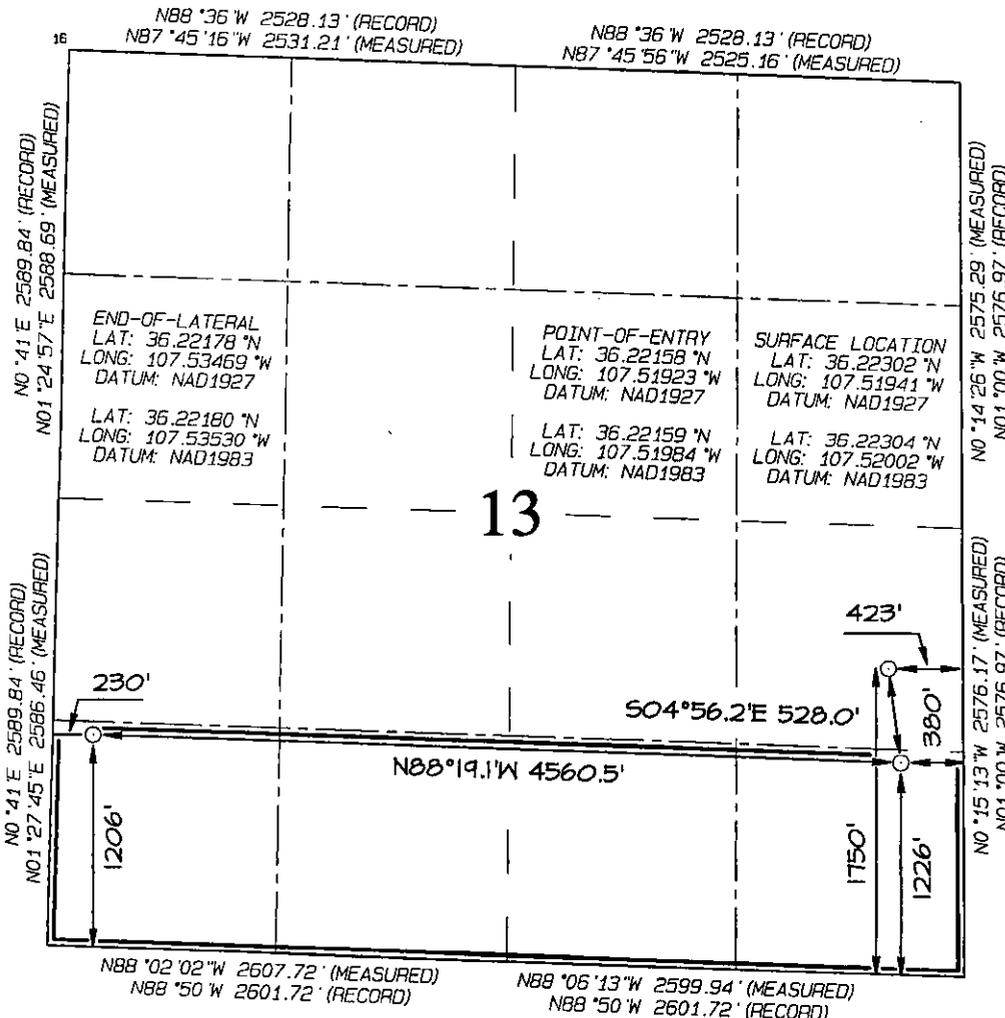
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	13	23N	7W		1750	SOUTH	423	EAST	RIO ARRIBA

<sup>11</sup> 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
M	13	23N	7W		1206	SOUTH	230	WEST	RIO ARRIBA

<sup>12</sup> Dedicated Acres 160.0 Acres - (S/2 S/2)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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



<sup>17</sup> 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 \_\_\_\_\_  
Larry Higgins  
Printed Name  
larry.higgins@wpxenergy.com  
E-mail Address

<sup>18</sup> 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.

Date Revised: DECEMBER 18, 2013  
Date of Survey: AUGUST 2, 2012

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269

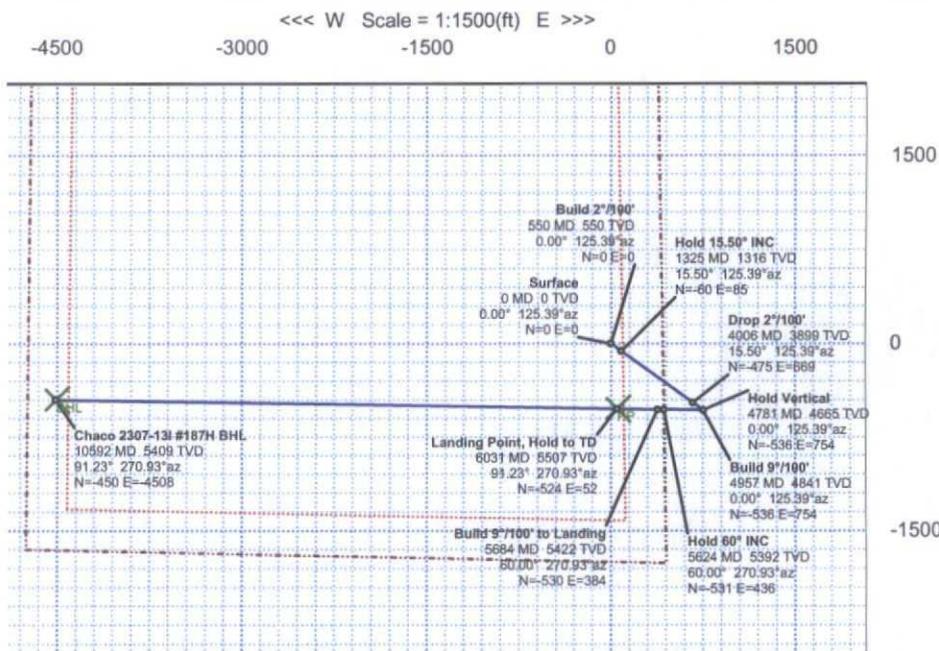
WELL <b>Chaco 2307-131 #187H</b>	FIELD <b>NM, Rio Arriba</b>	STRUCTURE <b>Sec 13-23N-7W</b>
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Magnetic Parameters Magnet: BGM 2013 Dip: 63.011° Mag Dec: 9.469°	Date: December 11, 2013 FS: 50160.5x7	Surface Location Lat: N 36 13 22.872 Lon: W 107 31 9.876	NAD27 New Mexico State Plane, Central Zone, US Feet Northing: 1902840.45 NUS Easting: 125672.55 NUS Grid Conv: -0.750° Scale Fact: 1.00006043	Miscellaneous Slot: Chaco 2307-131 #187H Plan: RD rev 11Dec13	TVD Ref: RKB(893ft) above MSL Srv Date: December 11, 2013
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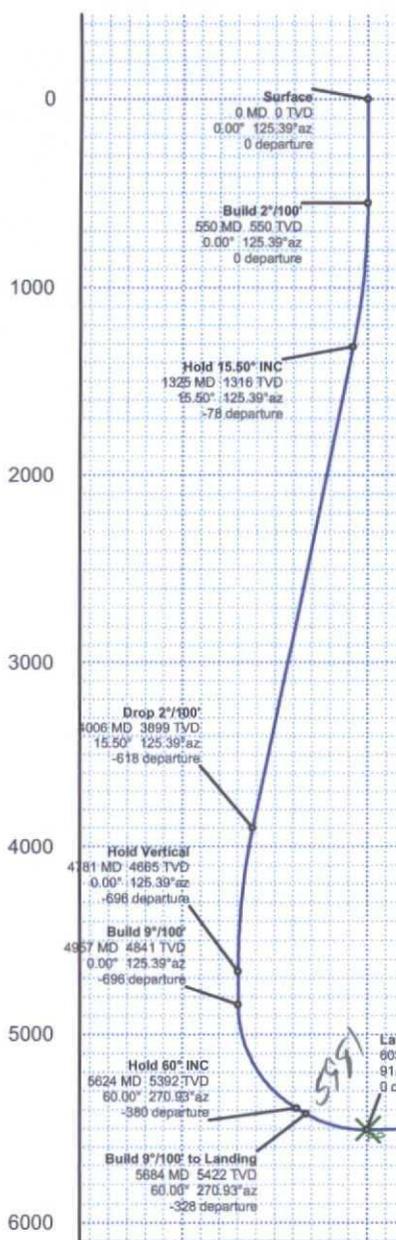
## Proposal



True North  
Tot Corr (M->T) 9.4691°  
Mag Dec (9.469°)  
Grid Conv (-0.750°)



TVD Scale = 1:1000(ft)



Targets							
Name	TVD(ft)	NS(ft)	EW(ft)	Latitude(deg)	Longitude(deg)	Shape	
Chaco 2307-131 #187H PP	5507.00	-524.33	51.83	N 36 13 17.687	W 107 31 9.243	POINT	
Chaco 2307-131 #187H BHL	5409.00	-450.19	-4507.71	N 36 13 18.417	W 107 32 4.887	POINT	

Critical Points									
Comments	MD(ft)	INC	AZM	TVD(ft)	SS TVD	VS(ft)	NS(ft)	EW(ft)	DLS
Surface	0.00	0.00	125.39	0.00	-6939.00	0.00	0.00	0.00	
Build 2°/100'	550.00	0.00	125.39	550.00	-6389.00	0.00	0.00	0.00	0.00
Hold 15.50° INC	1324.98	15.50	125.39	1315.57	-5623.43	-78.52	-60.34	84.93	2.00
Drop 2°/100'	4006.37	15.50	125.39	3899.43	-3039.57	-618.52	-475.36	669.07	0.00
Hold Vertical	4781.35	0.00	125.39	4665.00	-2274.00	-697.03	-535.70	754.00	2.00
Build 9°/100'	4956.88	0.00	125.39	4840.53	-2098.47	-697.03	-535.70	754.00	0.00
Hold 60° INC	5623.55	60.00	270.93	5391.86	-1547.14	-380.85	-530.53	435.73	9.00
Build 9°/100' to Landing	5683.55	60.00	270.93	5421.86	-1517.14	-329.24	-529.69	383.78	0.00
Landing Point, Hold to TD	6030.55	91.23	270.93	5507.00	-1432.00	0.51	-524.30	51.85	9.00
Chaco 2307-131 #187H BHL	10591.76	91.23	270.93	5409.00	-1530.00	4530.13	-450.19	-4507.71	0.00

Vertical Section (ft) Azim = 264.3° Scale = 1:1000(ft) Origin = 0 N/-S, 0 E/-W

<<< S Scale = 1:1500(ft) N >>>