

# NSL Initial Application

RECEIVED: <b>06/11/21</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL2116245863</b>
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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: \_\_\_\_\_ OGRID Number: \_\_\_\_\_  
 Well Name: \_\_\_\_\_ API: \_\_\_\_\_  
 Pool: \_\_\_\_\_ Pool Code: \_\_\_\_\_

**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

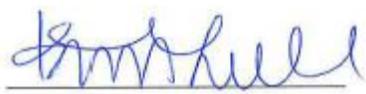
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

\_\_\_\_\_  
Print or Type Name

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
e-mail Address



**Kaitlyn A. Luck**  
Phone (505) 954-7286  
KALuck@hollandhart.com

June 9, 2021

**VIA ONLINE FILING**

Adrienne Sandoval, Director  
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 XTO Energy, Inc., for administrative approval of an unorthodox well location for its Remuda South 25 State #708H well in the W/2 SW/4 of Section 30 and the W/2 W/2 Section 31, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.**

Dear Ms. Sandoval:

XTO Energy, Inc. (“XTO”) (OGRID No. 5380) seeks administrative approval of an unorthodox well location for its **Remuda South 25 State #708H well** (API No. 30-015-48543) to be completed within the Forty Niner Ridge; Bone Spring, West Pool (96526) underlying the W/2 SW/4 of Section 30 and the W/2 W/2 Section 31, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

This well will be drilled as follows:

- surface location: 2385 feet from the north line and 660 feet from east line (Unit H) of Section 25, Township 23 South, Range 29 East,
- bottom hole location: 200 feet from the south line and 250 feet from the west line (Lot 4) of Section 31,
- first take point: 2325 feet from the south line and 250 feet from west line (Lot 3) of Section 30, and
- last take point: 330 feet from the south line and 250 feet from the west line (Lot 4) of Section 31.

This well is subject to the Division’s statewide setbacks for oil wells. The completed interval for the **Remuda South 25 State #708H well** will be unorthodox because it is closer than the standard setbacks to the western boundary of the spacing unit. Approval of the unorthodox completed

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

interval will allow XTO to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

**Exhibit A** is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Remuda South 25 State #708H well** encroaches on the drilling and spacing unit to the west.

**Exhibit B** is a land plat for Sections 30 and 31 that shows the proposed **Remuda South 25 State #708H well** in relation to the adjoining spacing unit to the west in Sections 25 and 36.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the west. **Exhibit C** reflects that a copy of this application with all attachments has been sent by certified mail to each affected person advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

**Exhibit D** is a statement from a XTO's petroleum engineer confirming that XTO's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", is written over a horizontal line.

Kaitlyn A. Luck  
ATTORNEY FOR XTO ENERGY, INC.

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-9720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 334-6170  
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

<sup>1</sup> API Number 30-015-		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name REMUDA SOUTH 25 STATE			<sup>6</sup> Well Number 708H
<sup>7</sup> OGRID No. 005380		<sup>8</sup> Operator Name XTO ENERGY, INC.			<sup>9</sup> Elevation 3,096'

<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
H	25	23 S	29 E		2,385	NORTH	660	EAST	EDDY

<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
4	31	23 S	30 E		200	SOUTH	250	WEST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<b>SHL (NAD83 NME)</b>	<b>LTP (NAD83 NME)</b>
Y = 464,594.1	Y = 456,684.4
X = 665,458.5	X = 666,403.4
LAT. = 32.276605 °N	LAT. = 32.254853 °N
LONG. = 103.931719 °W	LONG. = 103.928758 °W
<b>FTP (NAD83 NME)</b>	<b>BHL (NAD83 NME)</b>
Y = 463,995.8	Y = 456,554.4
X = 666,370.7	X = 666,404.0
LAT. = 32.274951 °N	LAT. = 32.254495 °N
LONG. = 103.928774 °W	LONG. = 103.928758 °W
<b>CORNER COORDINATES (NAD83 NME)</b>	
A - Y = 464,317.7 N ,	X = 666,119.3 E
B - Y = 461,669.9 N ,	X = 666,130.8 E
C - Y = 459,009.7 N ,	X = 666,144.1 E
D - Y = 456,352.9 N ,	X = 666,154.8 E
E - Y = 464,323.5 N ,	X = 667,468.9 E
F - Y = 461,674.8 N ,	X = 667,485.7 E
G - Y = 459,016.5 N ,	X = 667,503.8 E
H - Y = 456,361.0 N ,	X = 667,520.7 E
<b>SHL (NAD27 NME)</b>	<b>LTP (NAD27 NME)</b>
Y = 464,534.1	Y = 456,624.7
X = 624,275.7	X = 625,220.3
LAT. = 32.276481 °N	LAT. = 32.254729 °N
LONG. = 103.931227 °W	LONG. = 103.928267 °W
<b>FTP (NAD27 NME)</b>	<b>BHL (NAD27 NME)</b>
Y = 463,935.9	Y = 456,494.7
X = 625,187.8	X = 625,220.9
LAT. = 32.274827 °N	LAT. = 32.254371 °N
LONG. = 103.928283 °W	LONG. = 103.928267 °W
<b>CORNER COORDINATES (NAD27 NME)</b>	
A - Y = 464,257.8 N ,	X = 624,936.5 E
B - Y = 461,610.1 N ,	X = 624,947.9 E
C - Y = 458,949.9 N ,	X = 624,961.1 E
D - Y = 456,293.2 N ,	X = 624,971.7 E
E - Y = 464,263.5 N ,	X = 626,286.1 E
F - Y = 461,615.0 N ,	X = 626,302.8 E
G - Y = 458,956.7 N ,	X = 626,320.8 E
H - Y = 456,301.3 N ,	X = 626,337.5 E

**<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 \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

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**<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.

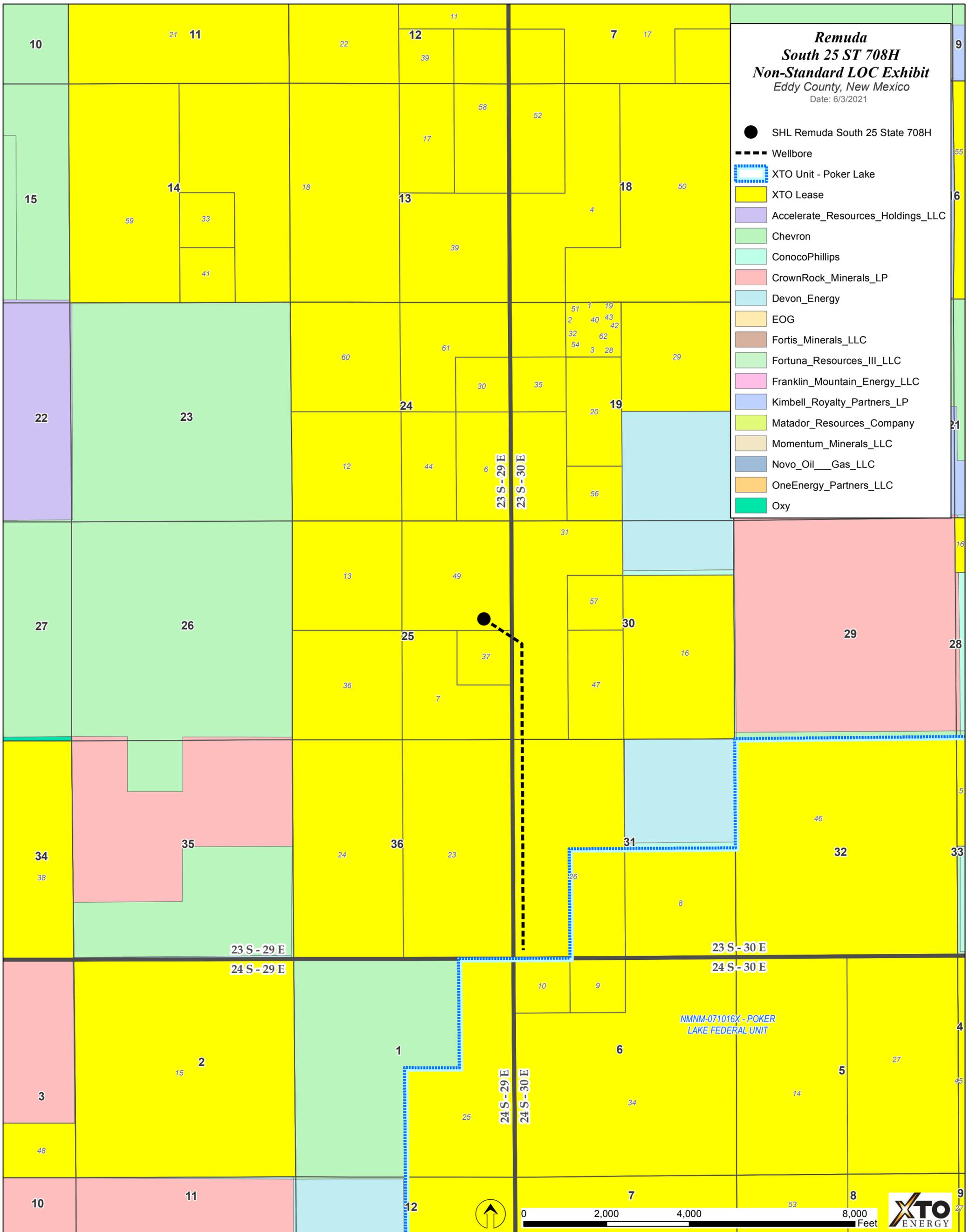
05-20-2021  
Date of Survey

Signature and Seal of Professional Surveyor:

MARK DILLON HARP 23786  
Certificate Number LM 2019010061

EXHIBIT A

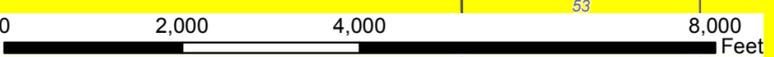
# EXHIBIT B



**Remuda**  
**South 25 ST 708H**  
**Non-Standard LOC Exhibit**  
 Eddy County, New Mexico  
 Date: 6/3/2021

- SHL Remuda South 25 State 708H
- Wellbore
- ⋯ XTO Unit - Poker Lake
- XTO Lease
- Accelerate\_Resources\_Holdings\_LLC
- Chevron
- ConocoPhillips
- CrownRock\_Minerals\_LP
- Devon\_Energy
- EOG
- Fortis\_Minerals\_LLC
- Fortuna\_Resources\_III\_LLC
- Franklin\_Mountain\_Energy\_LLC
- Kimbell\_Royalty\_Partners\_LP
- Matador\_Resources\_Company
- Momentum\_Minerals\_LLC
- Novo\_Oil\_Gas\_LLC
- OneEnergy\_Partners\_LLC
- Oxy

NMM-071016X - POKER LAKE FEDERAL UNIT



<b>NOTICE LIST</b>		
<b>Interest Owners in the Remuda South 25 State 708H well</b>		
<b>Owner Name</b>	<b>Interest Type</b>	<b>Address</b>
BEPCO, LP	OR	201 Main St., Suite 2700 Fort Worth, TX 76102
Hyatt Anne Bass Mgmt Trust	OR	201 Main St., Suite 2700 Fort Worth, TX 76102
Samantha Sims Bass Mgmt Trust	OR	201 Main St., Suite 2700 Fort Worth, TX 76102
Smith Exploration LLC	OR	6950 TPC Dr., Suite 120 McKinney, TX 75070
BK Royalties LLC	OR	PO Box 52098 Tulsa, OK 74152-0098
Devon Energy Production Company, L.P.	OR	PO Box 843559 Dallas, TX 75284-3559
New Mexico Commissioner of Public Lands	RI	818 Houston St., Suite 2000 Fort Worth, TX 76102-6223
Chevron U.S.A. Inc.	WI	1400 Smith St. Houston, TX 77002 HOU140/41079

## EXHIBIT C



**Kaitlyn A. Luck**  
Phone (505) 954-7286  
KALuck@hollandhart.com

June 9, 2021

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO AFFECTED PARTIES:**

**Re: Application of XTO Energy, Inc., for administrative approval of an unorthodox well location for its Remuda South 25 State #708H well in the W/2 SW/4 of Section 30 and the W/2 W/2 Section 31, Township 23 South, Range 30 East, N.M.P.M., Eddy 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:

C.R. Salinas  
XTO Energy, Inc.  
(832) 625-4370  
[carlos.salinas@exxonmobil.com](mailto:carlos.salinas@exxonmobil.com)

Sincerely,

Kaitlyn A. Luck  
**ATTORNEY FOR XTO ENERGY INC.**

Parent ID	Mail Date	Name	DeliveryAddress	City	State	Zip	MailClass	TrackingNo	Well
31309	06/08/2021	BEPCO, LP	201 Main St Ste 2700	Fort Worth	TX	76102-3131	Certified with Return Receipt (Signature)	94148118987 65805692300	70559 - XTO_Remuda 708H - NSL - notice list - 1
31309	06/08/2021	Hyatt Anne Bass Mgmt Trust	201 Main St Ste 2700	Fort Worth	TX	76102-3131	Certified with Return Receipt (Signature)	94148118987 65805692348	70559 - XTO_Remuda 708H - NSL - notice list - 2
31309	06/08/2021	Samanta Sims Bass Mgmt Trust	201 Main St Ste 2700	Fort Worth	TX	76102-3131	Certified with Return Receipt (Signature)	94148118987 65805692331	70559 - XTO_Remuda 708H - NSL - notice list - 3
31309	06/08/2021	Smith Exploration LLC	6950 Tpc Dr Ste 120	McKinney	TX	75070-1333	Certified with Return Receipt (Signature)	94148118987 65805692010	70559 - XTO_Remuda 708H - NSL - notice list - 4
31309	06/08/2021	BK Royalties LLC	PO Box 52098	Tulsa	OK	74152-0098	Certified with Return Receipt (Signature)	94148118987 65805692058	70559 - XTO_Remuda 708H - NSL - notice list - 5
31309	06/08/2021	Devon Energy Production Company, L.P.	PO Box 843559	Dallas	TX	75284-3559	Certified with Return Receipt (Signature)	94148118987 65805692027	70559 - XTO_Remuda 708H - NSL - notice list - 6
31309	06/08/2021	New Mexico Commissioner of Public Lands	818 Houston St Ste 2000	Fort Worth	TX	76102	Certified with Return Receipt (Signature)	94148118987 65805692096	70559 - XTO_Remuda 708H - NSL - notice list - 7
31309	06/08/2021	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7327	Certified with Return Receipt (Signature)	94148118987 65805692089	70559 - XTO_Remuda 708H - NSL - notice list - 8
31309	06/08/2021	Chevron U.S.A. Inc.	6301 Deauville	Midland	TX	79706-2964	Certified with Return Receipt (Signature)	94148118987 65805692072	70559 - XTO_Remuda 708H - NSL - notice list - 9



XTO Energy Inc.  
22777 Springwoods Village Parkway  
Spring, TX 77389

June 2, 2021

Mr. Leonard Lowe  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: Application for Nonstandard Locations  
Engineering Statement  
XTO Energy Inc.  
Remuda Basin South 25 State 708H  
W/2 SW/4 of Section 30 & W/2 W/2 of Section 31, T23S, R30E  
N.M.P.M., Eddy County, New Mexico

Dear Mr. Lowe:

XTO Energy Inc. respectfully requests administrative approval of a non-standard location for the well referenced above by decreasing the lease line spacing from 330 feet to 250 feet from the west line plane vertical boundary. It is XTO's responsibility as a prudent operator to maximize effective reservoir drainage and to minimize reserves left in the ground. Operating wells within the Secretary's Potash Area requires the utilization of drill islands. Limited surface footprint requires non-standard locations to allow for the effective spacing in reservoirs that coexist with potash operations to prevent stranding any resource. Decreasing the spacing from the lease line will optimize the interwell spacing within Remuda thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan Ewen', written in a cursive style.

Ryan Ewen  
Reservoir Engineer

**EXHIBIT D**

**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) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 31556

**CONDITIONS**

Operator: XTO ENERGY, INC 6401 Holiday Hill Road Midland, TX 79707	OGRID: 5380
	Action Number: 31556
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	6/11/2021