MM

NSL TYPE

PMAM 1333939206

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Chaco 2300-QUL

|        |                                | ADMINISTRATIVE APPLICATION CHECK  | ALIS I  |
|--------|--------------------------------|---|---|
| TI     | HIS CHECKLIST IS M             | IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIV<br>WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE   |   |
| Appli  | [DHC-Dow<br>[PC-Po             | andard Location] [NSP-Non-Standard Proration Unit] [SD-Simul<br>nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/L  | Lease Commingling]  e Measurement]  (pansion]  ase] |
| [1]    | TYPE OF AI<br>[A]              | PPLICATION - Check Those Which Apply for [A]  Location - Spacing Unit - Simultaneous Dedication   |   |
|        |                                | NSL □ NSP □ SD  |   |
|        | Check<br>[B]                   | k One Only for [B] or [C]  Commingling - Storage - Measurement  DHC CTB PLC PC OLS  | OLM   |
|        | [C]                            | Injection - Disposal - Pressure Increase - Enhanced Oil Recover  WFX PMX SWD IPI EOR  |   |
|        | [D]                            | Other: Specify  |   |
| [2]    | NOTIFICAT<br>[A]               | TION REQUIRED TO: - Check Those Which Apply, or Does I Working, Royalty or Overriding Royalty Interest Owners   | Not Apply   |
|        | [B]                            | Offset Operators, Leaseholders or Surface Owner   |   |
|        | [C]                            | Application is One Which Requires Published Legal Notice  | e   |
|        | [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]    |                                | CCURATE AND COMPLETE INFORMATION REQUIRED ATION INDICATED ABOVE.  | TO PROCESS THE TYPE                                 |
|        | val is <mark>accurate</mark> a | <b>ATION:</b> I hereby certify that the information submitted with this a and <b>complete</b> to the best of my knowledge. I also understand that equired information and notifications are submitted to the Division | no action will be taken on this                     |
|        | Note:                          | Statement must be completed by an individual with managerial and/or supe  | rvisory capacity.                                   |
|        | er Riley                       | Regulatory Special Title  |   |
| rint c | or Type Name                   | Signature O Title  Heather.riley@y  | Date  |
|        |                                | e-mail Address  | wp.cncrgy.com                                       |

District I 1625 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) 476–3460 Fax: (505) 476–3462

### State of New Mexico Energy, Minerals & Natural Resources Department

Revised August 1, 2011 Submit one copy to Appropriate District Office

Form C-102

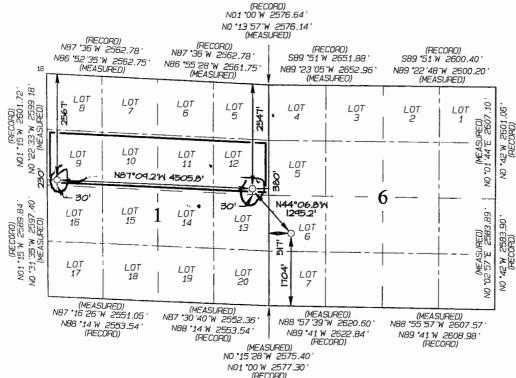
OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe, NM 87505

| AMENDED | REPORT |
|---------|--------|
| AMENDED | HEPURI |

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

|                     |         |          | NCCC 1                           | _00/11/                       | 711 7110 710                     | HEADE DEDIC             | 37 (1120)     |                      |                    |  |
|---------------------|---------|----------|----------------------------------|-------------------------------|----------------------------------|-------------------------|---------------|----------------------|--------------------|--|
| 'API Number 2Pool   |         |          | Pool Cod                         | ie .                          |                                  | ³Pool Nam               | е             |                      |                    |  |
|                     |         |          |                                  | 42289                         | LYBROOK GALLUP                   |                         |               | LLUP                 |                    |  |
| 'Property Code      |         |          | *Property Name<br>CHACO 2306–06L |                               |                                  |                         |               | *Well Number<br>239H |                    |  |
| 'OGRID No.          |         |          | *Operator Name                   |                               |                                  |                         |               | °Elevation           |                    |  |
| 120782              |         |          | WPX ENERGY PRODUCTION, LLC       |                               |                                  |                         |               |                      | 6938 '             |  |
|                     | ·       |          |                                  |                               | <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 li         | ne County          |  |
| L                   | 6       | 23N      | 6W                               | 6                             | 1704                             | SOUTH                   | 517           | WEST                 | WEST RIO<br>ARRIBA |  |
|                     | L       | 1        | <sup>1</sup> Botto               | m Hole                        | Location I                       | f Different             | From Surfac   | е                    |                    |  |
| UL or lot no.       | Section | Township | Range                            | Lot Idn                       | Feet from the                    | North/South line        | 580           | East/West li         | ne County<br>RIO   |  |
| Ε                   | 1       | NES.     | 7W                               | 9                             | 2567                             | NORTH                   | 230           | WEST                 | ARRIBA             |  |
| S/2 N/2 - Section 1 |         |          |                                  | <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



END-OF-LATERAL 2567 'FNL 230 'FWL SECTION 1, T23N, R7W LAT: 36.25413 'N LONG: 107.53519 'W DATUM: NAD1927

LAT: 36.25415 N LONG: 107.53580 W DATUM: NAD1983

POINT-OF-ENTRY 2547 FNL 380 FEL SECTION 1, T23N, R7W LAT: 36.25368 N LONG: 107.51992 W DATUM: NAD1927

LAT: 36.25369 °N LDNG: 107.52053 °W DATUM: NAD1983

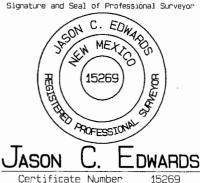
SURFACE LOCATION 1704 FSL 517 FWL SECTION 6, T23N, R6W LAT: 36.25116 N LONG: 107.51682 W DATUM: NAO1927

LAT: 36.25117 N LONG: 107.51743 W DATUM: NAD1983

|   | <sup>47</sup> OPERATOR CERTIFICATION<br>I hereby certify that the information contained<br>herein is true and complete to the best of my<br>knowledge and belief, and that this organization<br>either owns a working interest or unleased<br>mineral interest in the land including the<br>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   |
| ı | E-mail Address   |
| ļ | 18 SURVEYOR CERTIFICATION  |

I hereby centify 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: NOVEMBER 19, 2013 Survey Date: OCTOBER 1, 2012

Signature and Seal of Professional Surveyor





P. O. Box 640

Aztec, NM 87410 (505) 333-1822 (505) 333-1805 (fax) Heather.riley@wpxenergy.com

RECEIVED OCD

2013 EEC -4 P 2: 16

## Sent via Overnight Delivery

December 3, 2013

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

Request for Administrative Approval for Non-Standard Lybrook Gallup Lateral Re:

Chaco 2306-06L #239H API#: Not Assigned Yet Sec. 1, 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 2206-06L #239H. This is a horizontal well with a surface location of 1704' FSL and 517' FWL and an end of lateral location of 2567' FNL & 230' FWL, Section 1, 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, this location is encroaching the N2 of the S2 of Section 1, T23N R7W in that it is 30' from the unit boundary. Even though the end of lateral is shown at 230' FWL, the final perforation will comply with the 330' setback requirement.

The spacing for the subject well is the S/2 of the N/2 of section 1 consisting of 4 consecutive 40 acres parcels. The spacing unit being encroached upon is the N/2 of the S/2 of Section 1 also consisting of 160 acres. All of Section 1 is operated by WPX and ownership is 100% WPX therefore no affected owner letters are required pursuant to NMOCD rules.

Jami Bailey December 3, 2013 Page 2 of 2

Should you have any questions or concerns, please don't hesitate to contact me at the phone numbers listed above.

Sincerely,

Heather Riley

Regulatory Specialist, Sr.

Enc.: C-102