

DATE IN 7/20/2014	SUSPENSE	ENGINEER ke	LOGGED IN 7/24/2014	TYPE NSL	APP NO. PMAM1405542550 PMAM140554203
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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]

NSP=1478
NSL=7047

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
X NSL X 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 _____

- NSL
- NSP
LOGOS OPERATING
289408
WCH
HEROS 2M
30-045-
Pending
Pool
- BASIN MANCOS
97232

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] X 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.

J. Scott Hall
Montgomery & Andrews, P.A.
Print or Type Name

Signature

Title

Date

shall@montand.com
e-mail Address

{00542788-1}



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Phone: (505) 986-2646

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 20, 2014

Ms. Jami Bailey, Director
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87501

Hand-Delivered

**Re: Logos Resources LLC
Request for Administrative Approval
Non-Standard Oil Spacing Unit and Unorthodox Well
Location Basin-Mancos Gas Pool (97565)**

**Heros Well No. 2M
API No. 30-045- (pending)
415' FSL and 400' FWL (M) (vertical)
SW/4 SW/4 Section 4, T23N, R8W, NMPM
San Juan County, New Mexico**

Dear Ms. Bailey:

On behalf of Logos Resources LLC ("Logos") and pursuant to Division Rule 19.15.15.11.B(2) (a) and (b) and the applicable rules governing the acreage and well location requirements for the Basin-Mancos Gas Pool (97232; Order No. R-12984), we request administrative approval for a 40 acre \pm non-standard oil spacing and proration unit comprised of the SW/4 SW/4 of Section 4, Township 23 North, Range 8 West, NMPM.

Logos seeks an exception from the applicable acreage dedication and well location rules for the following reasons: Order No. R-12984 established special pool rules for the Basin-Mancos Pool as a gas pool with 320 acre spacing units and well location setbacks of 660'. The special pool rules also provide that oil wells located within two miles of certain Gallup oil pools or associated pools identified in Order No. R-12984 are to be drilled and spaced in accordance with the rules applicable to those pools. The spacing unit proposed in this case is located in close proximity to the Nageezi - Gallup Oil Pool (47540) and the well is expected to

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

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Jami Bailey
February 20, 2014
Page 2

produce oil from a correlative stratum. The current rules for that pool reflect statewide rules and provide that wells shall be located no closer than 330' to the boundary of a unit, with 40-acre units dedicated to the wells. However, this pool is not among the pools specified in Order No. R-12984 and therefore, the Division has previously advised that the rules for the pool may not be extended to the proposed spacing unit and well location. Therefore, this application for exception is made necessary.

This proposed well is no closer than 330' to the outer boundary of the SW/4 SW/4 of the section and otherwise complies with statewide acreage dedication and locational rules applicable to oil wells. The unit and well location are also consistent with the established development pattern for Mancos oil wells in the area. In this regard, please note that the Division has previously approved a non-standard location and a non-standard proration unit for a Basin-Mancos oil well drilled by Logos in Unit P of Section 4. (See Orders NSL-6753 and NSP-1961.) The C-102 plat and area APD Map showing the SE/4 SW/4 spacing unit and the proposed location for the Heros Well No. 2M are attached as Exhibits A and B.

In accordance with Division Rules 19.15.4.12 A(2) and (3) notification is being provided to those interest owners reflected in Exhibit C.

The Division's Administrative Application Checklist is enclosed.

Thank you for your consideration of this request. Should more information be required, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

JSH:lb

Enclosures

cc: John Austin Akers

542846

DISTRICT I
1635 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 746-1883 Fax: (575) 746-9720

DISTRICT III
1000 Rio Bravo Rd., Artesia, N.M. 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

¹ API Number	² Pool Code	³ Pool Name BASIN MANCOS
⁴ Property Code	⁵ Property Name HEROS	⁶ Well Number 002M
⁷ OGRID No. 289408	⁸ Operator Name LOGOS OPERATING, LLC	⁹ Elevation 6844'

¹⁰ Surface Location

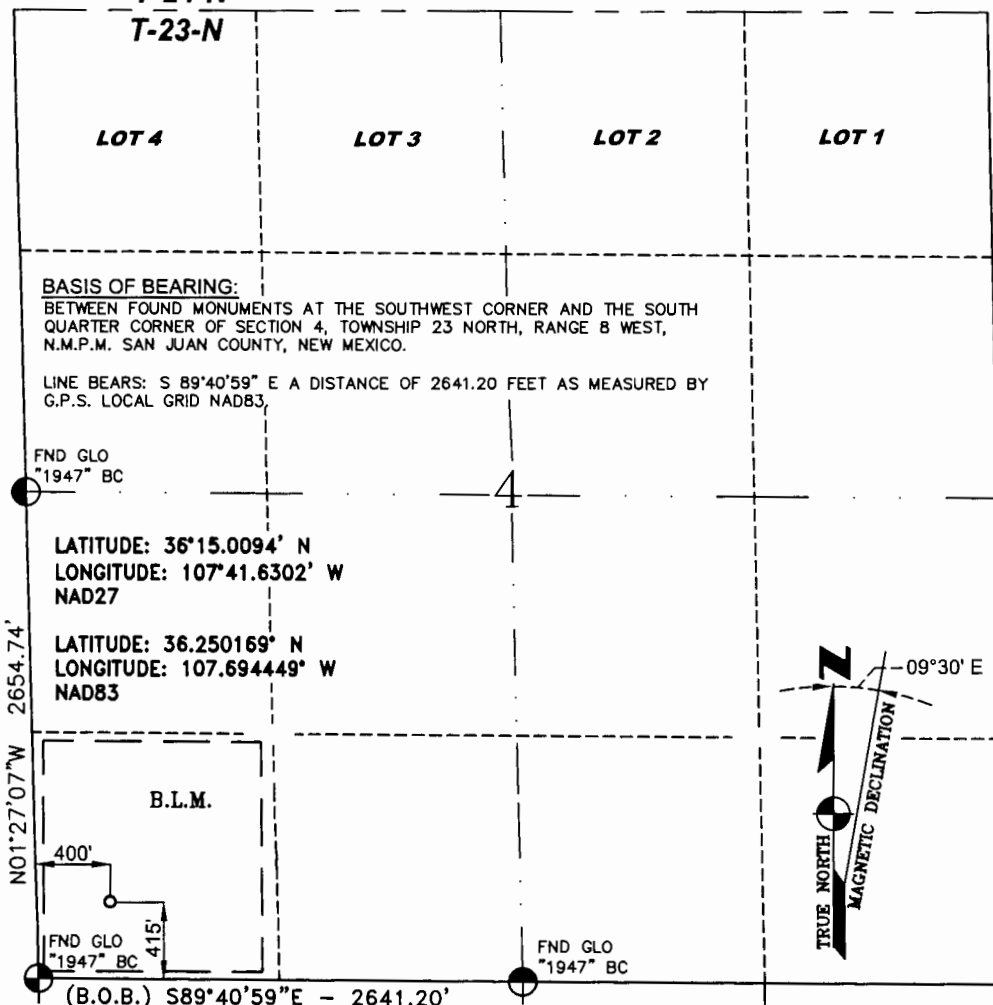
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	23-N	8-W		415	SOUTH	400	WEST	SAN JUAN

¹¹ 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
¹² Dedicated Acres 40.00 ACRES SW/SW			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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

¹⁶ T-24-N
T-23-N



17 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
a 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 _____

18 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.

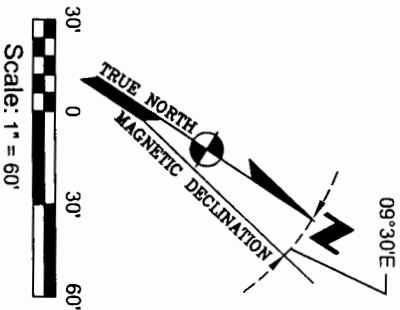
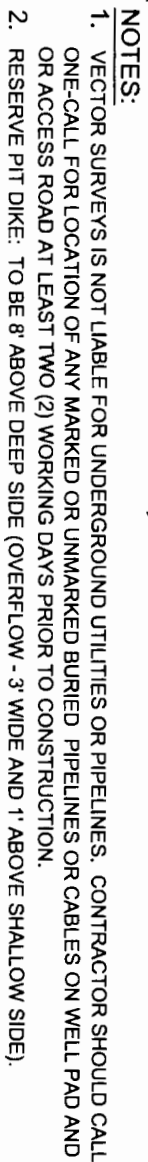
FEBRUARY 19, 2014
Date of Survey

Signature and Seal of Professional Surveyor



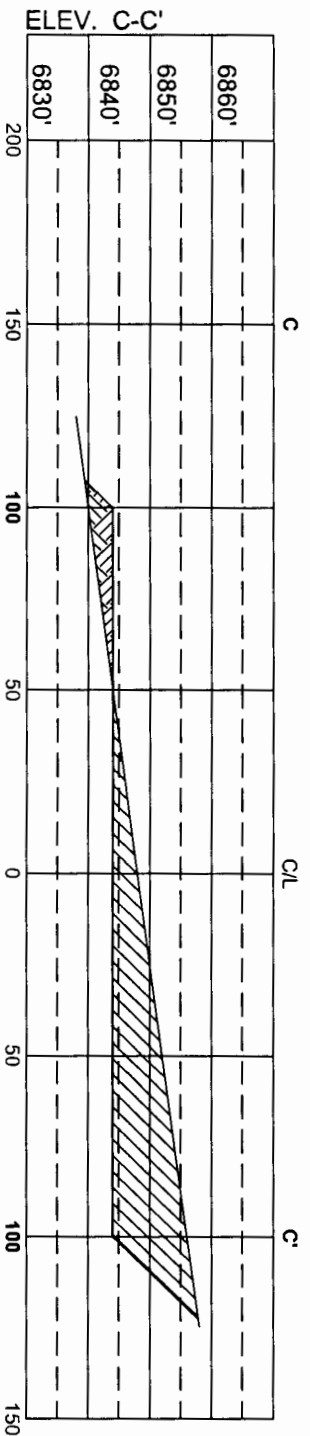
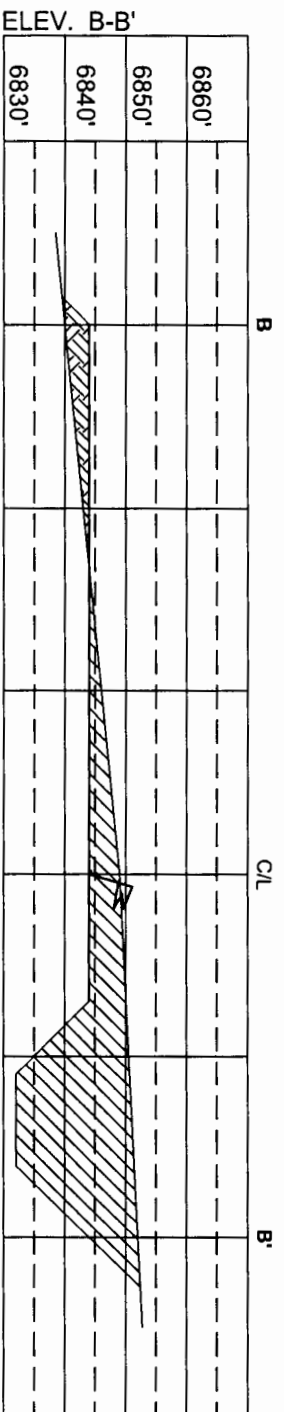
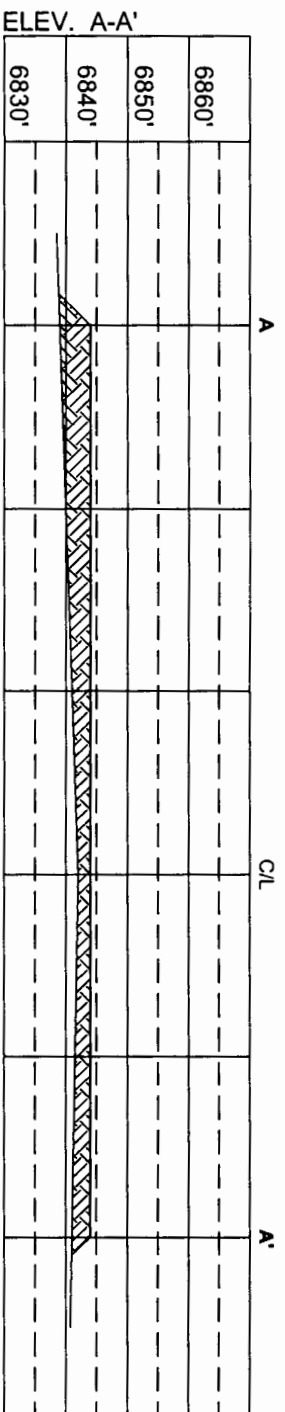
GLEN W. RUSSELL
Certificate Number 15703

HEROS #002M, 415' FSL & 400' FWL
SECTION 4, T-23-N, R-8-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6844', DATE: FEBRUARY 6, 2014



LOGOS OPERATING, LLC

HEROS #002M, 415' FSL & 400' FWL
 SECTION 4, T-23-N, R-8-W, NMPM, SAN JUAN COUNTY, NM
 GROUND ELEVATION: 6844', DATE: FEBRUARY 6, 2014



HORIZ. SCALE: 1" = 50'
 VERT. SCALE: 1" = 30'

NOTE:
 VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL
 FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT
 LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

**Directions from the Intersection of Highway 550 and Highway
64 in Bloomfield, NM**

to

LOGOS OPERATING, LLC

HEROS #002M

415' FSL 400' FWL,

Section 4, T23N, R8W, N.M.P.M., San Juan County,

New Mexico

Latitude: 36° 15' 00.607" N

Longitude: 107° 41' 40.016" W

Nad 1983

From the Intersection of Highway 550 & Highway 64

Go South on Hwy 550 for 40.1 miles,

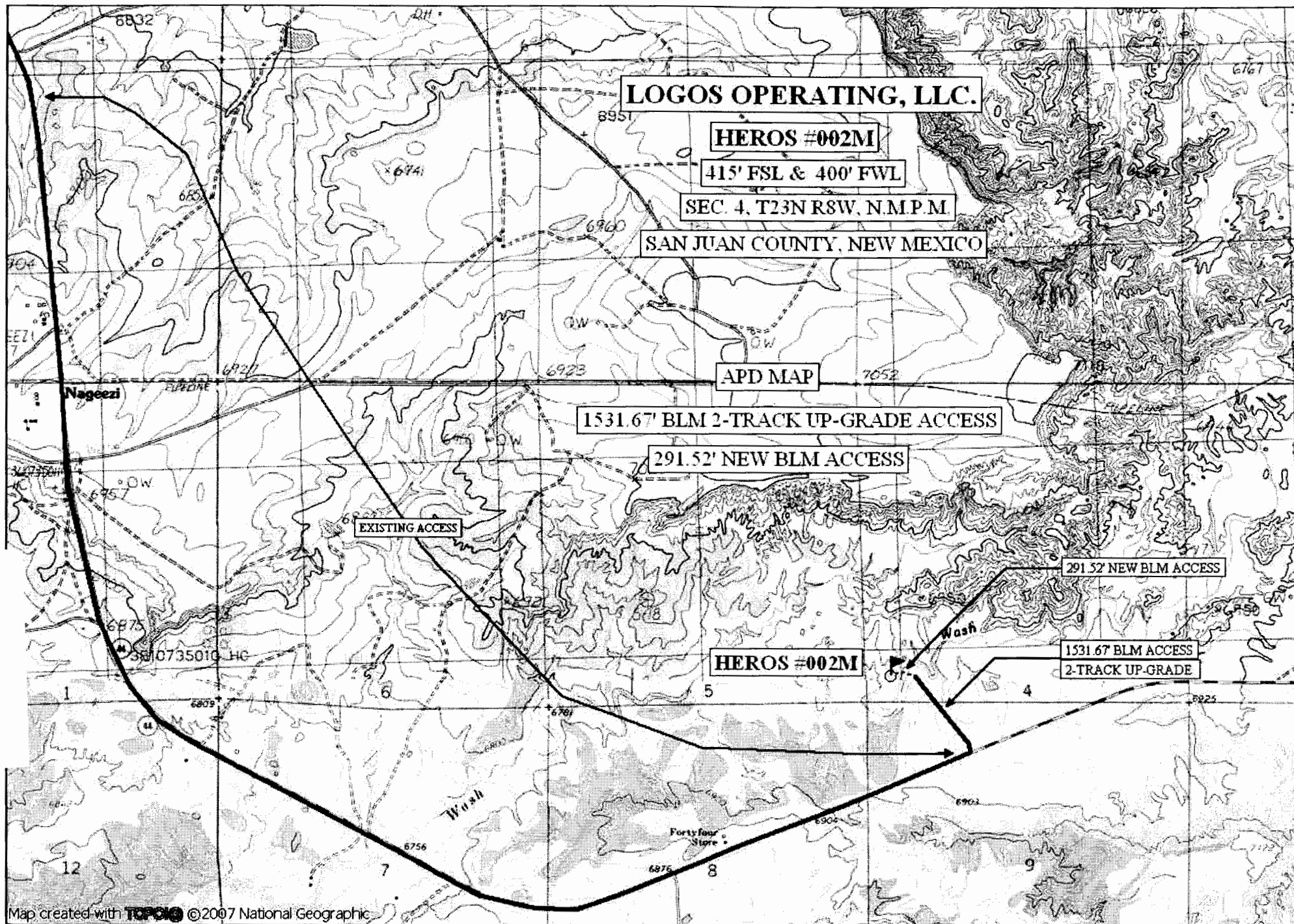
turn left (north-northwesterly) for 0.3 miles on 2-track

To the beginning of new access

on the left (west) side of the field road and

continues (west-northwesterly) for 291.52'

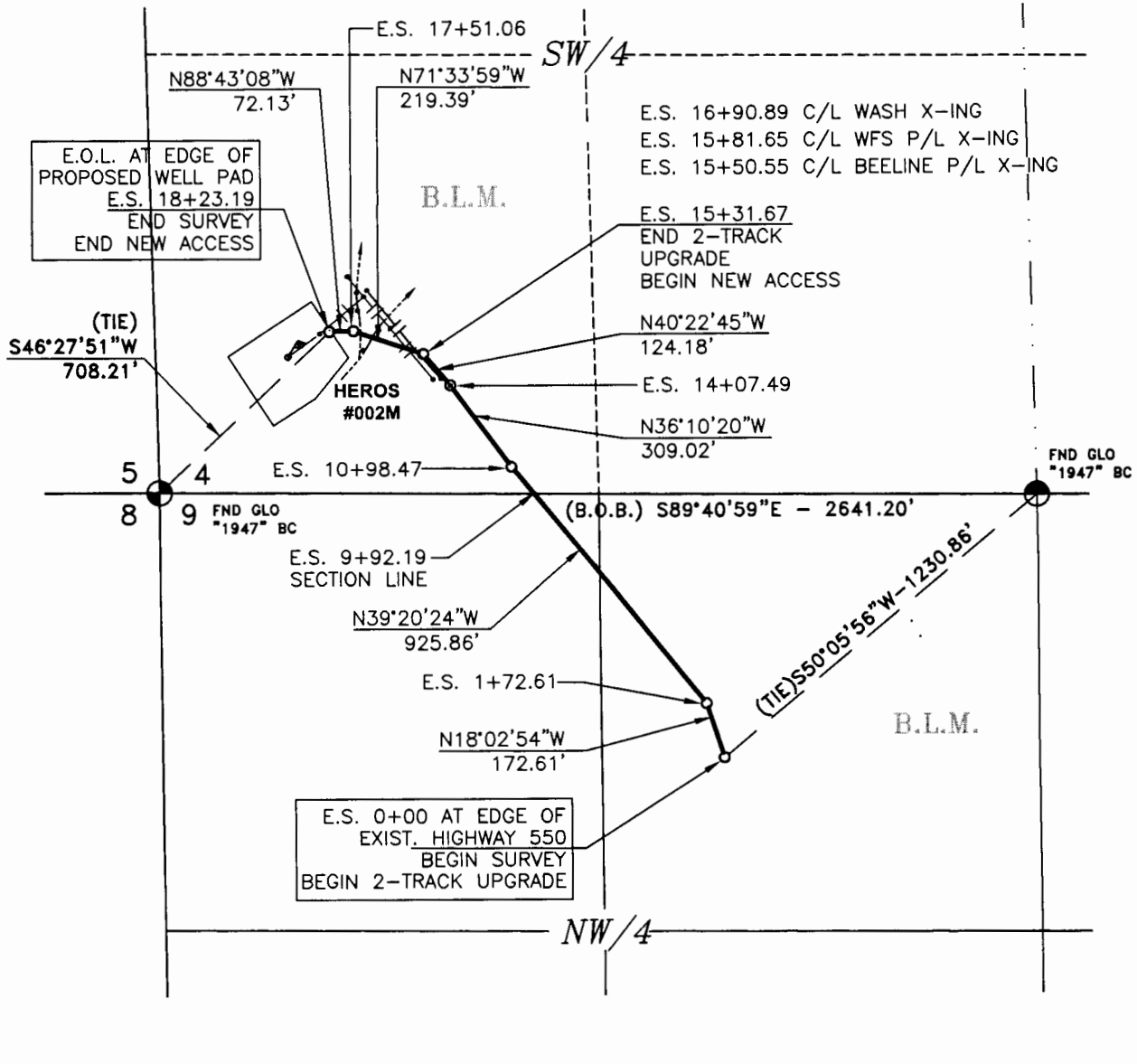
to the new location.



LOGOS OPERATING, LLC HEROS #002M

1823.19' PROPOSED ACCESS ROAD

LOCATED IN THE NW/4 SEC. 9 & THE SW/4 OF SEC.4, T-23-N, R-8-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



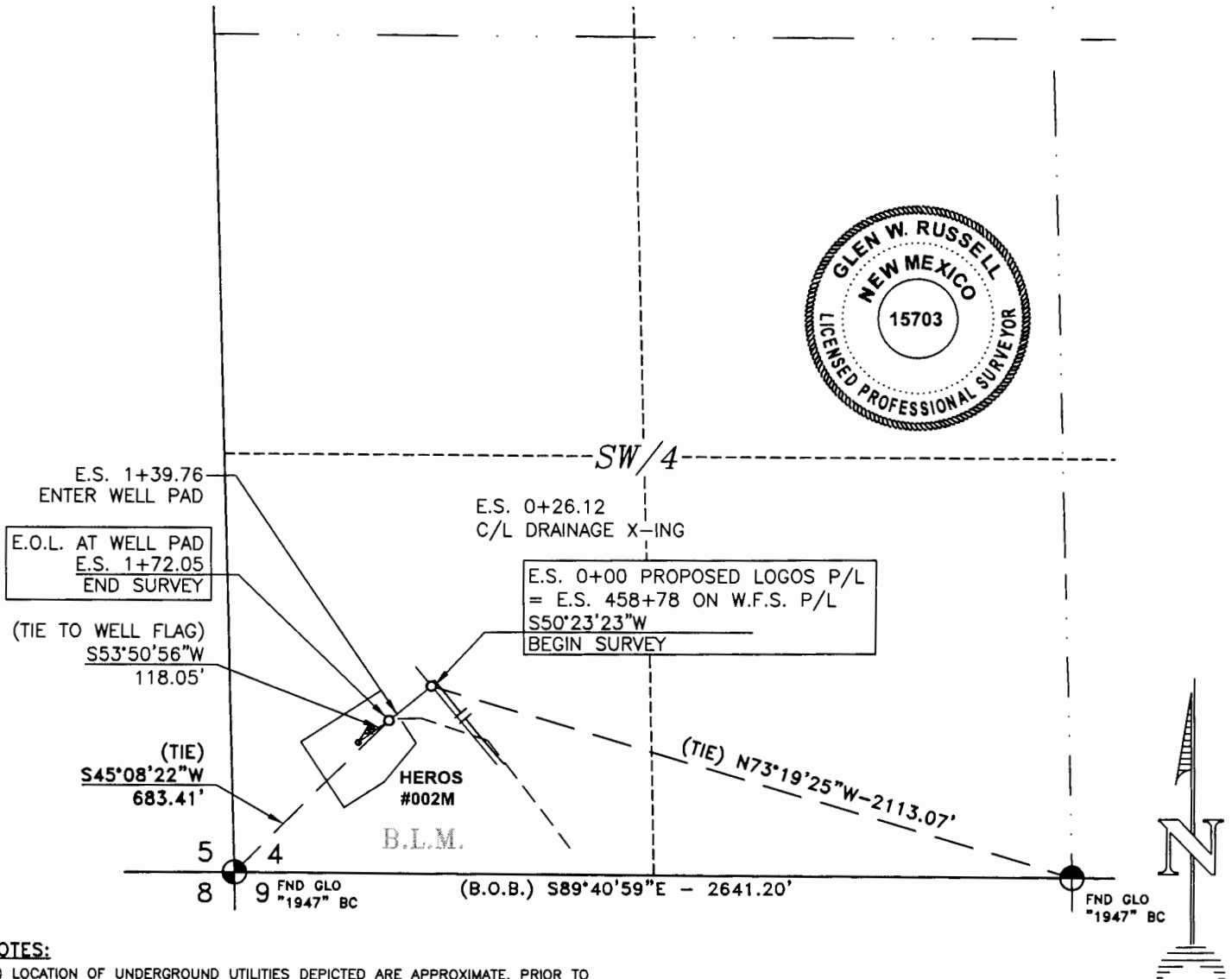
250' 0 250' 500'
Scale: 1" = 500'

OWNERSHIP				
LOCATION	OWNER	STATION		FT./RODS
S9, T23N, R8W	B.L.M.	E.S. 0+00 TO	E.S. 9+92.19	992.19/60.13
S4, T23N, R8W	B.L.M.	E.S. 9+92.19 TO	E.S. 18+23.19	831.00/50.36
BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE SOUTHWEST CORNER AND THE SOUTH QUARTER CORNER OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 8 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.				
LINE BEARS: S 89°40'59" E A DISTANCE OF 2641.20 FEET AS MEASURED BY G.P.S. LOCAL GRID NAD83.				
SURVEY CREW	GWR	DRAWN BY	TD	CAD FILE
DATE OF SURVEY	2/6/14	DATE	2/13/14	LOGOS023

Vector Surveys, LLC
Professional Land Surveys, Mapping,
GPS Surveys & Oil Field Services
122 N Wall Avenue, Farmington, NM 87401
Phone (505) 564-3445 or 320-9595
E-Mail: vectorg001@msn.com

**PIPELINE SURVEY FOR
LOGOS OPERATING, LLC
HEROS #002M**

LOCATED IN THE SW/4 OF SEC. 4, T-23-N, R-8-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



NOTES:

1.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 2 WORKING DAYS PRIOR TO CONSTRUCTION.

2.) THIS IS NOT A BOUNDARY SURVEY.

250' 0 250' 500'

Scale: 1"=500'

OWNERSHIP				BASIS OF BEARING: AS MEASURED BY GPS BETWEEN FOUND MONUMENTS AT THE SOUTHWEST CORNER AND THE SOUTH QUARTER CORNER OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 8 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO. BEARS S89°40'59"E, A DISTANCE OF 2641.20' AS MEASURED BY G.P.S. LOCAL GRID NAD83.					
LOCATION	OWNER	STATION		FT./RODS		DATE OF SURVEY:	GWR	DRAWN BY:	TD
S4, T23N, R8W	B.L.M.	E.S. 0+00 TO E.S. 1+72.05		172.05/10.43		SURVEY CREW:	2/6/14	DATE:	2/13/14
						REV. 1			
						REV. 2			
I, GLEN W. RUSSELL, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.						VECTOR SURVEYS, LLC			
						Professional Land Surveys, Mapping,			
						GPS Surveys & Oil Field Services			
						122 N Wall Avenue, Farmington, NM 87401			
						Phone (505) 564-3445 or 320-9595			
GLEN W. RUSSELL						E-Mail: vectorg001@msn.com			
GLEN W. RUSSELL, PLS						WORK ORDER NO.:			
NEW MEXICO L.S. #15703						LOGOS023			
						CAD FILE:			
						LOGOS023			

GLEN W. RUSSELL DATE FEBRUARY 17, 2014

GLEN W. RUSSELL, PLS
NEW MEXICO L.S. #15703

VECTOR SURVEYS, LLC
Professional Land Surveys, Mapping,
GPS Surveys & Oil Field Services
122 N Wall Avenue, Farmington, NM 87401
Phone (505) 564-3445 or 320-9595
E-Mail: vectorg001@msn.com

WORK ORDER NO.: LOGOS023 CAD FILE: LOGOS023

Notice List

Burlington Resources Oil and Gas Company LP
P. O. Box 51810
Midland, TX 79101-1810

Elm Ridge Exploration Company LLC
12225 Greenville Ave., Ste. 950
Dallas, TX 75243-0597

Energen Resources Corporation
2010 Afton Pl.
Farmington, NM 87401

Graham ACQ 1984-II
3510 Causeway Blvd.
Metairie, LA 70002

Pinnacle Production Prop.
555 S Camino del Rio
Durango, CO 81301

Pioneer Natural Resources USA Inc.
1401 17th Street #1200
Denver, CO 80202

WPX Energy Production LLC
4400 One Williams Center
Tulsa, OK 74172-0144

Exhibit C



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Phone: (505) 986-2646

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 20, 2014

To: All Interest Owners listed on attached page

**CERTIFIED MAIL/
RETURN RECEIPT REQUESTED**

**Re: Logos Resources LLC
Request for Administrative Approval
Non-Standard Oil Spacing Unit and Unorthodox Well
Location Basin-Mancos Gas Pool (97565)**

**Heros Well No. 2M
API No. 30-045- (pending)
415' FSL and 400' FWL (M) (vertical)
SW/4 SW/4 Section 4, T23N, R8W, NMPM
San Juan County, New Mexico**

Dear Sir or Madam:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.11 B and the rules and regulations for the Basin-Mancos Gas Pool, you are hereby notified that Logos Resources LLC has on this date made application to the NMOCD for administrative approval for a non-standard oil spacing unit and an unorthodox well location for its Heros Well No. 2M to be drilled at the location reflected above to the Mancos formation, Basin-Mancos Gas Pool, in San Juan County, New Mexico. A copy of the application is enclosed.

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.

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

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

February 20, 2014
Page 2

Should you consent to the application and the proposed non-standard spacing unit and unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

MONTGOMERY & ANDREWS, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

CONSENT:

By: _____

Notice List

Burlington Resources Oil and Gas Company LP
P. O. Box 51810
Midland, TX 79101-1810

Elm Ridge Exploration Company LLC
12225 Greenville Ave., Ste. 950
Dallas, TX 75243-0597

Energen Resources Corporation
2010 Afton Pl.
Farmington, NM 87401

Graham ACQ 1984-II
3510 Causeway Blvd.
Metairie, LA 70002

Pinnacle Production Prop.
555 S Camino del Rio
Durango, CO 81301

Pioneer Natural Resources USA Inc.
1401 17th Street #1200
Denver, CO 80202

WPX Energy Production LLC
4400 One Williams Center
Tulsa, OK 74172-0144

Exhibit C

{00541450-1}

McMillan, Michael, EMNRD

From: J. Scott Hall <SHall@montand.com>
Sent: Wednesday, March 05, 2014 3:19 PM
To: McMillan, Michael, EMNRD
Subject: RE: Logos Heros 3N,4-O,2M wells

Both engineering and geologic. The locations conform to an existing development pattern in the area and one oil well at a gas well location won't efficiently recover all the reserves in the 40-acre unit. The locations are also necessary to protect from drainage from an offsetting well in Section 9 located less than 660' off the section line and these locations are prospective for production from the same stratum.

Please let me know if more information is needed.

J. Scott Hall
Montgomery & Andrews, P.A.
P. O. Box 2307
Santa Fe, NM 87504-2307
shall@montand.com
(505) 986-2646

THIS MESSAGE CONTAINS INFORMATION WHICH MAY BE CONFIDENTIAL AND PRIVILEGED. UNLESS YOU ARE THE ADDRESSEE (OR AUTHORIZED TO RECEIVE FOR THE ADDRESSEE), YOU MAY NOT USE, COPY OR DISCLOSE TO ANYONE THE MESSAGE OR ANY INFORMATION CONTAINED IN THE MESSAGE. IF YOU HAVE RECEIVED THIS MESSAGE IN ERROR, PLEASE ADVISE THE SENDER BY REPLY E-MAIL TO shall@montand.com AND DELETE THE MESSAGE. THANK YOU.

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Wednesday, March 05, 2014 12:03 PM
To: J. Scott Hall
Subject: Logos Heros 3N,4-O,2M wells

Scott:

I know you are applying for NSL for these three wells because they are within 2 miles of an existing Gallup Pool. Are there any other reasons, including geological or engineering that you are also applying for the NSL?

I will start writing the administrative application tomorrow, and your response will help justify the location.

E-mail me or call me if you have questions.

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462