

5/19/2014 DATE IN	SUSPENSE	MAM ENGINEER	5/19/2014 LOGGED IN	NSL TYPE	PMAM/413956579 APP NO.
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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]**

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

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD **BUCKSHOT STATE COM 5H 258894**

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.**

JENNIFER ELROD  
Print or Type Name

Signature

Title

Date

e-mail Address

SR. Regulatory Analyst

5/15/14

jelrod@ng2.com

- NSL 7108  
- Legend  
NATURAL GAS III, LP  
WCL  
- Buckshot State  
Com 5H  
30-015-42268  
Pool  
- Willow Lake,  
Bonespring,  
West  
96415

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 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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-42268</b>	Pool Code <b>9U415</b>	Pool Name <b>Willow Lake; Bone Spring, West</b>
Property Code <b>305419</b>	Property Name <b>BUCKSHOT STATE COM</b>	Well Number <b>5H</b>
OGRID No. <b>258894</b>	Operator Name <b>LEGEND NATURAL GAS III, LP</b>	Elevation <b>3053'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	24-S	28-E		181	SOUTH	1706	WEST	EDDY

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
C	31	24-S	28-E		330	NORTH	1436	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

	<p>GEODETIC COORDINATES NAD 83 NME BOTTOM HOLE LOCATION Y=429376.3 N X=603980.0 E LAT.=32.180271° N LONG.=104.130856° W</p>	<p>GEODETIC COORDINATES NAD 27 NME BOTTOM HOLE LOCATION Y=429318.2 N X=562796.6 E LAT.=32.180150° N LONG.=104.130362° W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Jennifer Ennos</i> Date: 5/15/14</p> <p>Printed Name: Jennifer Ennos</p> <p>E-mail Address: jennode@n2.com</p>
	<p>LAST TAKE POINT Y=429321.0 N X=603980.2 E LAT.=32.180119° N LONG.=104.130856° W</p>	<p>LAST TAKE POINT Y=429262.9 N X=562796.8 E LAT.=32.179998° N LONG.=104.130362° W</p>	
	<p><b>CORNER COORDINATES TABLE</b> NAD 27</p> <p>A - Y=429647.3 N, X=562706.8 E B - Y=429659.1 N, X=564039.1 E C - Y=424327.0 N, X=564056.3 E D - Y=424327.4 N, X=562726.9 E</p>		
	<p>NAD 83</p> <p>A - Y=429705.4 N, X=603890.2 E B - Y=429717.2 N, X=605222.6 E C - Y=424385.0 N, X=605239.8 E D - Y=424385.4 N, X=603910.4 E</p>		
<p>DETAIL 3047.8' 3056.5' 600' 3056.5' 3057.4'</p>	<p>GEODETIC COORDINATES NAD 83 NME FIRST TAKE POINT Y=424881.2 N X=603980.6 E LAT.=32.167915° N LONG.=104.130882° W</p>	<p>GEODETIC COORDINATES NAD 27 NME FIRST TAKE POINT Y=424823.2 N X=562797.1 E LAT.=32.167793° N LONG.=104.130388° W</p>	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 3, 2014</p> <p>Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor:</p> <p><i>Ronald J. Eidson</i> 3239</p> <p>Certificate Number: Gary O. Eidson 12641 Ronald J. Eidson 3239</p> <p>ACK REL W.O. 1410248 JWSC W.O. 14130472</p>
<p>GRID AZ.=319°11'37" HORIZ. DIST.=416.3'</p>	<p>SURFACE LOCATION Y=424566.2 N X=604252.5 E LAT.=32.167047° N LONG.=104.130004° W</p>	<p>SURFACE LOCATION Y=424508.2 N X=563069.0 E LAT.=32.166926° N LONG.=104.129511° W</p>	



15021 Katy Freeway  
Suite 200  
Houston, TX 77094  
(281) 644-5900  
Fax: (281) 644-5901

RECEIVED  
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777 Main Street  
Suite 900  
Fort Worth, TX 76102  
(817) 872-7800  
Fax: (817) 872-7898

May 15, 2014

**New Mexico Oil Conservation Division**  
**1220 S. St. Francis Dr.**  
**Santa Fe, New Mexico 87505**

Re: Legend Natural Gas III, LP, NSL  
Buckshot State Com 5H  
Unit N, Section 31 T-24S, R-28E  
Eddy County, New Mexico

Attn: Mr. Michael McMillan:

Pursuant to Division Rule 19.15.15.13, Legend Natural Gas III, LP respectfully requests administrative approval of a Non-Standard Location (NSL) for the Buckshot State Com 5H in Eddy County, New Mexico. This application is being sent in regards to the Buckshot State Com 5H proposed production interval being approximately 88.6' from the nearest quarter/quarter line in Section 31, T-24-S, R-28-E in the Willow Lake; Bone Spring, West pool (64450).

The affected offset wells to the Buckshot State Com 5H are the permitted Buckshot State Com 6H and the producing Buckshot State Com 3H, with the State of New Mexico, OCD, Artesia office. Notification has been sent via certified mail to the offset mineral owners. Copies of the certified mail receipts are attached.

Approval of this application will allow Legend Natural Gas to recover additional oil and gas reserves from the Willow Lake; Bone Spring pool underlying the middle two quarter sections of Section 31 that may otherwise not be recovered by the other proposed wells, thereby preventing waste and will not violate correlative rights.

If you have any questions please contact I at (817)872-7822 or Mr. John McCauley at (281)644-5972.

Sincerely,

Jennifer Elrod  
Sr. Regulatory Analyst  
Legend Natural Gas III, LP  
777 Main St., Suite 900  
Fort Worth, TX 76102

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

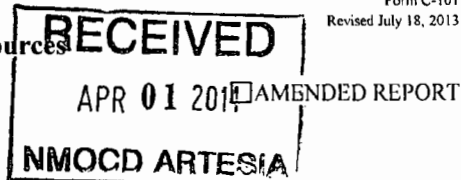
**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos 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 and Natural Resources**  
**Oil Conservation Division**  
**1220 South St. Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
Revised July 18, 2013



**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Legend Natural Gas III, LP 15021 Katy Freeway, Ste. 200 Houston, TX 77094		<sup>4</sup> OGRID Number 258894 <sup>5</sup> API Number 30-015- <b>42268</b>
<sup>4</sup> Property Code 305419	<sup>2</sup> Property Name BUCKSHOT STATE COM	<sup>6</sup> Well No. 5H

7. Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	31	24S	28E		181	SOUTH	1706	WEST	Eddy

8. Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
C	31	24S	28E		330	NORTH	1436	WEST	Eddy

<sup>9</sup> Pool Information Pool Name Willow Lake; Bone Spring, WEST	Pool Code 96415
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Additional Well Information				
<sup>11</sup> Work Type N	<sup>12</sup> Well Type O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3036'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 12700' MD; 7985' TVD	<sup>18</sup> Formation Bone Spring	<sup>19</sup> Contractor	<sup>20</sup> Spud Date Upon Arrival
Depth to Ground water <133'		Distance from nearest fresh water well 7100' ENE		Distance to nearest surface water >500' NW

☒ We will be using a closed-loop system in lieu of lined pits

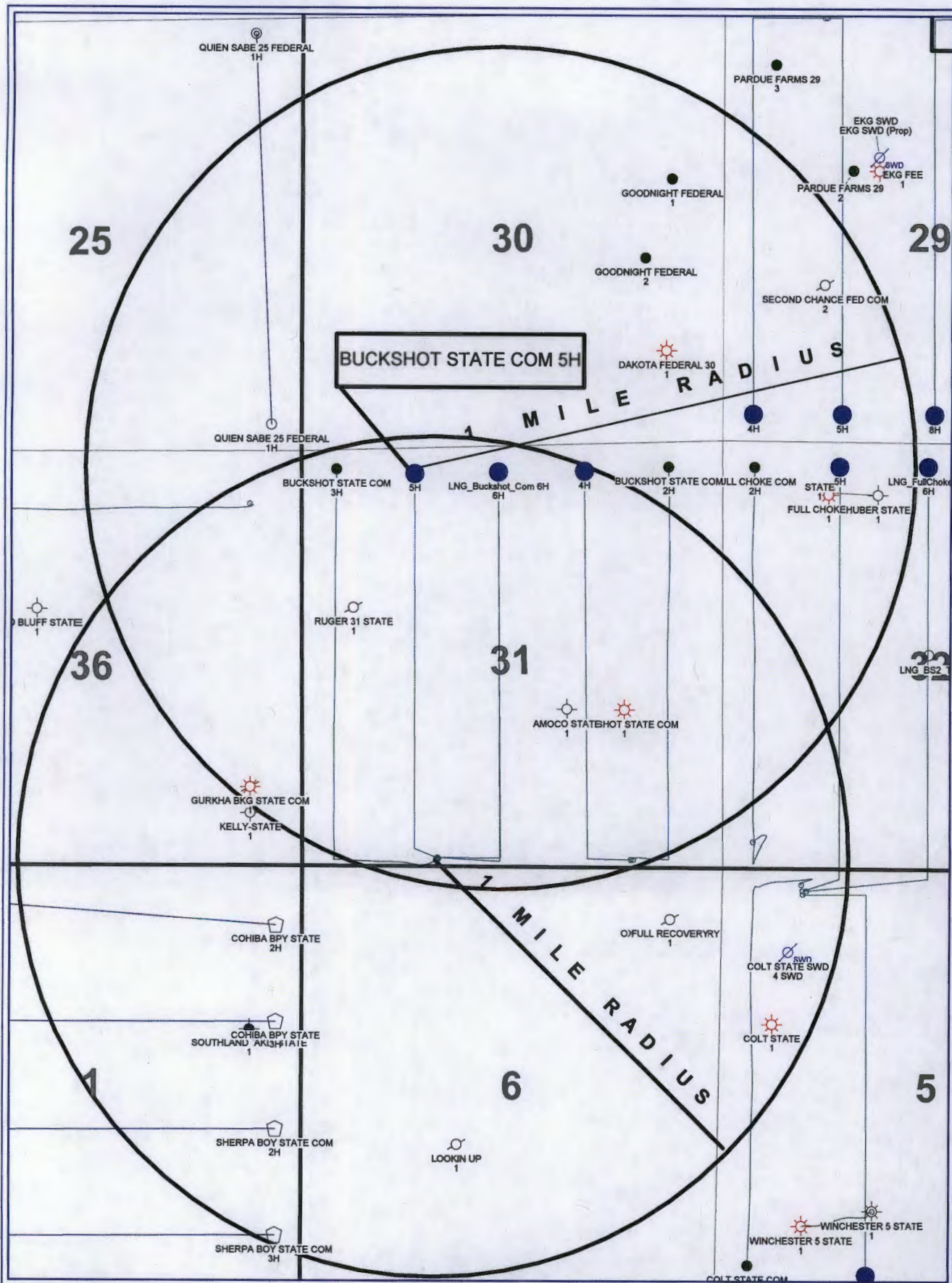
21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf.	14.75	11.75	42	400	375	Surface
Inter.	10.625	8.625	32	2500	850	Surface
Prod.	73875	5.5	17	12700	2200	Surface

<b>Casing/Cement Program: Additional Comments</b> Drill 14-3/4" hole to approx 400' with fresh water spud mud system. Run 11-3/4" 42# H40 STC casing to TD and cement to surface in one stage. Will use 1" topout tubing and class "C" cement to cement to surface if necessary. Drill 10-5/8" hole to approx 2,500' with saturated brine water mud system. Run 8-5/8" 32# J55 LTC casing to TD and cement to surface in one stage. Drill 7-7/8" vertical production hole to approx. 7,500' with cut brine mud system. Drill 7-7/8" curve/lateral production hole to approx 12,700' with cut brine mud system. Run 5-1/2" 17# P110 BTC casing to TD and cement to surface in one stage.
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22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	3006	Hydril
Blind Ram	5000	3000	Cameron
Pipe Ram	5000	3000	Cameron

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.</p> <p>I further certify that I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable.</p> <p>Signature: <i>Jennifer Elrod</i></p>		<p>OIL CONSERVATION DIVISION</p>	
<p>Printed name: <i>Jennifer Elrod</i></p>		<p>Approved By: <i>T. C. Shepard</i></p>	
<p>Title: <i>Sr. Regulatory Analyst</i></p>		<p>Title: <b>"Geologist"</b></p>	
<p>E-mail Address: <i>jelrod@nv2.com</i></p>		<p>Approved Date: <i>4-1-2014</i>   Expiration Date: <i>4-1-2016</i></p>	
<p>Date: <i>3/31/2014</i></p>	<p>Phone: <i>878-72-7822</i></p>	<p>Conditions of Approval Attached</p>	





PERMIAN NM - CAPROCK2

Buckshot State Com 5H



POSTED WELL DATA

Well Name  
Well Number

WELL SYMBOLS

- Abandoned Well
- Dry Hole
- Gas Well
- Oil Well
- Vernon Symbol Standards - Pa
- Salt Water Disposal
- New Symbol
- NEW DRILL WELL - Injectors

By: JMG

May 15, 2014

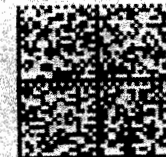


LEGEND NATURAL GAS, LLC  
777 MAIN STREET  
SUITE 900  
FORT WORTH, TEXAS 76102

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