

# NSL Initial Application

Received: 10/01/19

P.O. No: 1AQRY-191001-NSL000

Revised March 23, 2017

RECEIVED: <b>10/01/19</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL1927526991</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:** Great Western Drilling Co.**OGRID Number:** 009338**Well Name:** Saunders 26 State No. 1**API:** 30-015-46336**Pool:** WC-025 G-10 S143326C**Pool Code:** 98323

**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**FOR OCD ONLY**☐

Notice Complete

☐Application  
Content  
Complete**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required

**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.**

Sharon T. Shaheen

Print or Type Name

Signature

10/1/19

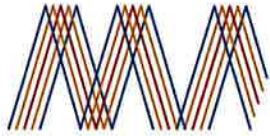
Date

505-986-2678

Phone Number

sshahen@montand.com

e-mail Address



**MONTGOMERY  
& ANDREWS**  
LAW FIRM

**SHARON T. SHAHEEN**  
Direct: (505) 986-2678  
Email: [sshaheen@montand.com](mailto:sshaheen@montand.com)  
[www.montand.com](http://www.montand.com)

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October 1, 2019

***Filed through the OCD's e-filing system***

Adrienne Sandoval, Director  
NM Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

**RE: Great Western Drilling Company, OGRID #009338**  
**Request for Administrative Approval of Non-Standard Location**

Saunders 26 State No. 001  
Section 26, T14S, R33E  
Lea County, New Mexico  
WC-025 G-10 S143326C; Devonian [98323]  
API# 30-025-46336

Dear Ms. Sandoval,

Pursuant to Division Rule 19.15.15.13(B)-(D) NMAC, Great Western Drilling Company ("Great Western Drilling") requests administrative approval of a non-standard location for the above-referenced vertical well, as described more fully below.

The proposed Saunders 26 State No. 1 will target the Devonian formation for production of oil in a 40-acre unit located in the NE/4 NW/4 (Lot C) of Section 26, Township 14 South, Range 33 East. The proposed surface location is 150 feet FNL and 1900 feet FWL of Section 26. As this is a vertical well, the proposed bottom hole location is the same as the surface location.

Under the Rules, a vertical oil well is to be no closer than 330 feet from the outer boundary of the spacing unit. 19.15.15.9(A) NMAC. Great Western Drilling is requesting approval to locate this vertical well 150 feet from the northern boundary of the spacing unit instead of 330 feet away or further. All other setbacks are within state-wide requirements.

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**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

The above-referenced well is a 3D seismic-based prospect that targets the Devonian formation. The proposed surface location is on the crest of the seismic feature. This Application is being made due to the strong water drive reservoir in the Devonian formation, where such a location will assure maximum recovery of oil from the formation. Placing the location where Great Western Drilling is proposing the well would also allow for potential north and south offsets to be drilled on the structural closure.

Enclosed is a draft Form C-102; a plat showing the spacing unit, the proposed unorthodox well location, and the adjoining 40-acre offset tract; and a list of the owners in the 40-acre offset tract.

Great Western Drilling provided actual notice of this application to the two affected persons entitled to notice pursuant to Division Rule 19.15.4.12(A)(2) NMAC, by hand-delivering a copy of this application and all attachments thereto. The notice informed the affected persons that, if they object to the aforementioned requests, they must file the objection in writing with the Division within 20 days from the date the Division receives this administrative approval request. Both affected parties chose to waive their right to object, and the signed waivers are attached hereto.

Please let me know if you have any questions or concerns. Thank you for your assistance in this matter.

Very truly yours,



Sharon T. Shaheen

STS/lt  
Enclosures  
cc: Carter Muire, Great Western Drilling Company

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) 748-0720  
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>30-025-46336</b>	Pool Code <b>98323</b>	Pool Name <b>WC-025 G-10 S143326C; DEVONIAN</b>
Property Code <b>326033</b>	Property Name <b>SAUNDERS 26 STATE</b>	Well Number <b>1</b>
GRID No. <b>9338</b>	Operator Name <b>GREAT WESTERN DRILLING COMPANY</b>	Elevation <b>4189'</b>

Surface Location

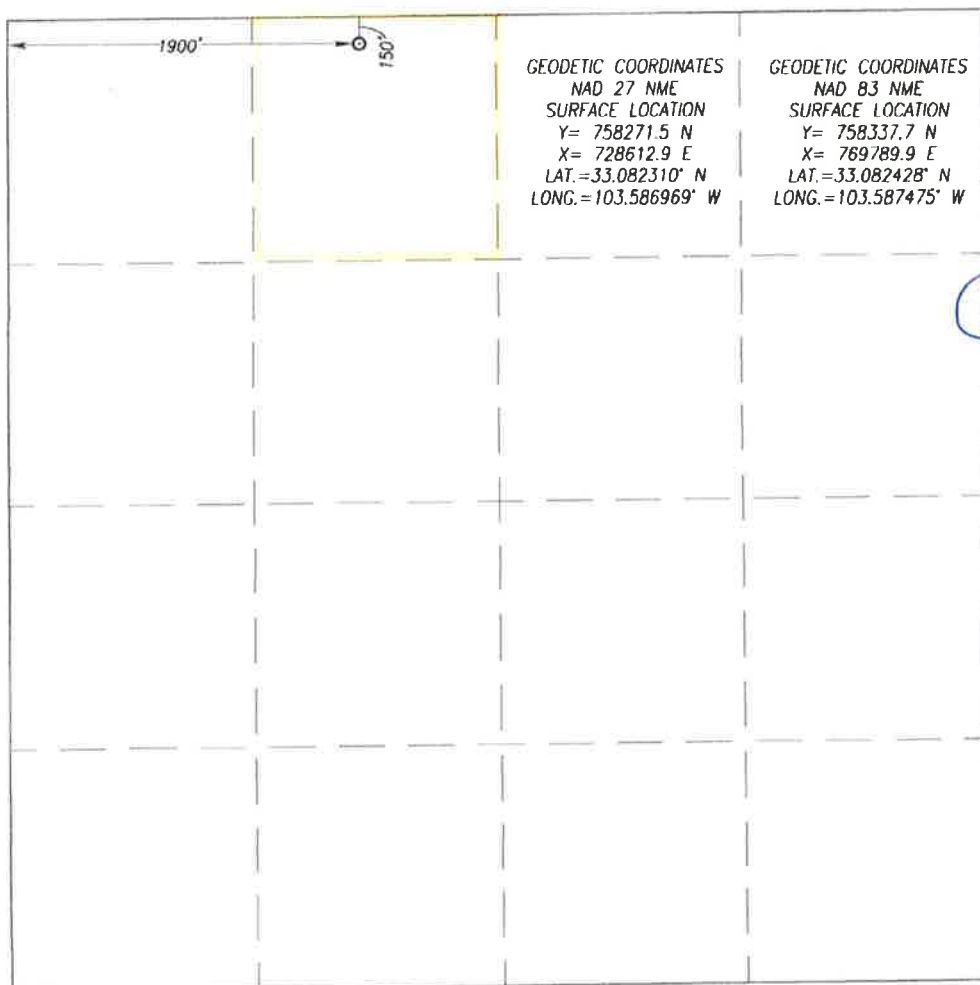
UL or lot No. <b>C</b>	Section <b>26</b>	Township <b>14-S</b>	Range <b>33-E</b>	Lot Idn <b>C</b>	Feet from the <b>150</b>	North/South line <b>NORTH</b>	Feet from the <b>1900</b>	East/West line <b>WEST</b>	County <b>LEA</b>
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

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.

Signature

Date

Printed Name

E-mail Address

**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.

MAY 16, 2019

Date of Survey

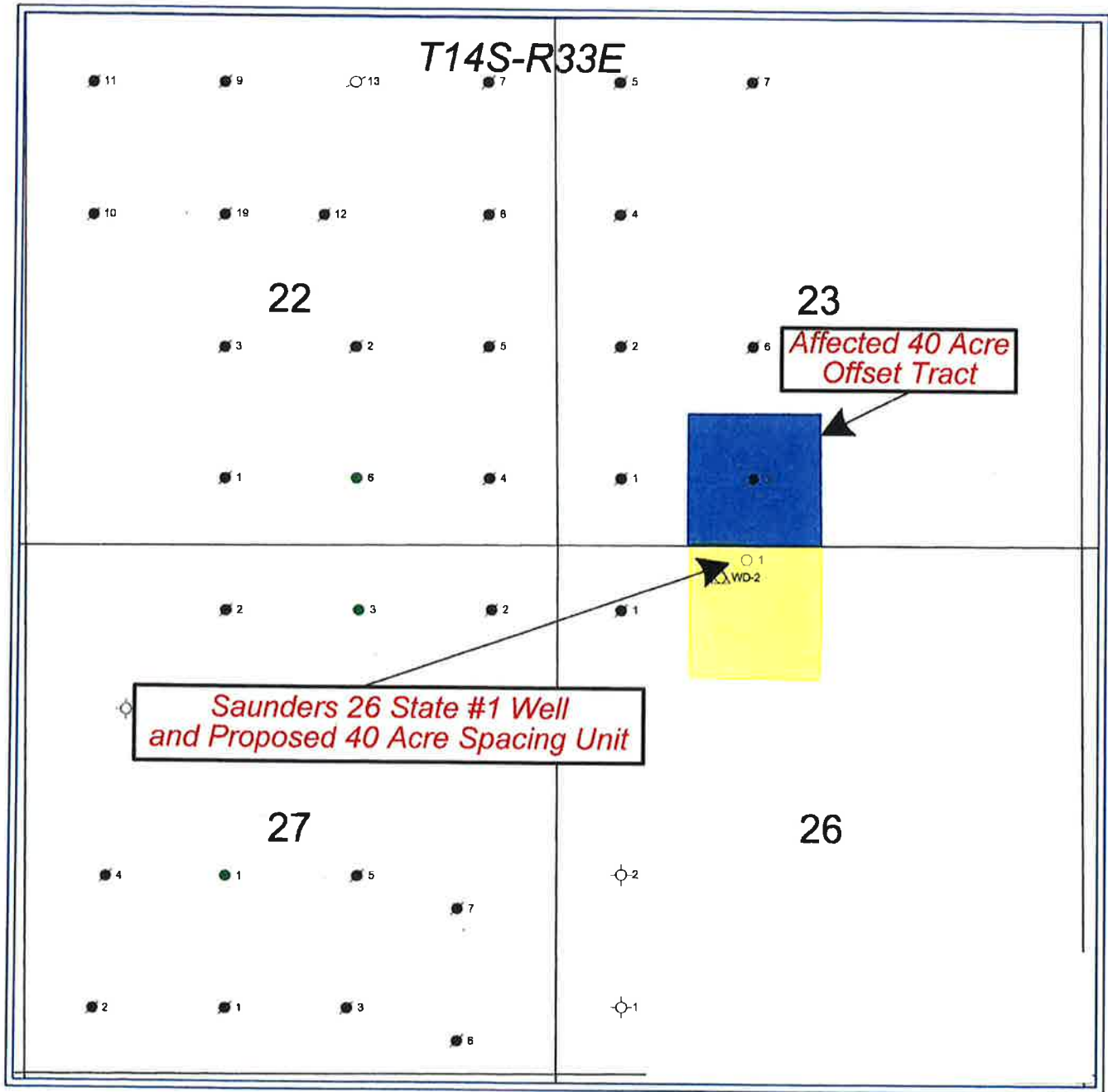
Signature & Seal of Professional Surveyor:

Certificate Number: Gary G. Eidson 12641  
Ronald J. Eidson 3239

LSL

JWSC WO 19 11 0637

Proposed 40 Acre Spacing Unit, Well Location  
and Affected 40 Acre Offset Tract



## LIST OF AFFECTED PARTIES

OFFSET TRACT DEPICTED IN BLUE ON THE PRECEDING PAGE

Type	Affected Party	Location	Date Letter Hand-Delivered
WIO	WTG Exploration, Inc.	SE4 SW4 23 14S 33E	September 12, 2019
WIO	Paleozoic Petroleum LLC	SE4 SW4 23 14S 33E	September 12, 2019



**MONTGOMERY  
& ANDREWS**  
LAW FIRM

**SHARON T. SHAHEEN**  
Direct: (505) 986-2678  
Email: [sshaheen@montand.com](mailto:sshaheen@montand.com)  
[www.montand.com](http://www.montand.com)

September 12, 2019

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

**TO: ALL INTERESTED PARTIES ON THE ATTACHED LISTS**

**Re: Administrative Application for Non-Standard Location  
Great Western Drilling Company  
OGRID Number: 009338**

**Saunders 26 State No. 001**

**API# 30-015-46336**

**Section 26, T14S, R33E**

**Lea County, NM**

**Pool: WC-025 G-10 S143326C; Devonian**

**Pool Code: 98323**

Ladies and Gentlemen:

Pursuant to New Mexico Oil Conservation Division Rule 19.15.15.13(B)-(D) NMAC, Great Western Drilling Company ("Great Western Drilling") is seeking administrative approval of a non-standard location for the above-referenced well. A copy of the application is enclosed, which explains the basis for the non-standard location.

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, directed to the attention of Leonard Lowe.

---

**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



All Interested Parties  
September 12, 2019  
Page 2

Should you consent to the application and the proposed well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to Carter Muire at your earliest convenience.

Please give me or Mr. Muire (432-682-5241) a call if you have any questions about the application.

Very truly yours,




Sharon T. Shaheen

Enclosure

**WAIVER OF OBJECTION:**

PALEOZOIC PETROLEUM LLC

By:

  
Signature

Date:

18 Sep 2019

Owner Paleozoic Petroleum LLC  
(Printed Name and Title)



**MONTGOMERY  
& ANDREWS**  
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Very truly yours,



Sharon T. Shaheen

Enclosure

**WAIVER OF OBJECTION:**

WTG EXPLORATION, INC.

By: David L. Davis Date: September 18, 2019  
Signature

David L. Davis, President  
(Printed Name and Title)

**APPLICATION NON-STANDARD LOCATION – ADDRESS LIST**

**Saunders 26 State No. 1**

Paleozoic Petroleum LLC  
2008 Country Club Drive  
Midland, TX 79701

WTG Exploration, Inc.  
Attn: David L. Davis, Pres.  
401 West Wadley  
Midland, TX 79705-5339