

NSL Initial Application

Received: 07/24/20

P.O. No QOY3E-200724-NSL000

RECEIVED: 07/24/20	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2020931224
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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: WPX Energy Permian, LLC **OGRID Number:** 246289
Well Name: BEAGLE 35-34-22-27 FEE #401H **API:** 30-015-45682
Pool: Purple Sage Wolfcamp (Gas) **Pool Code:** 98220

**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

FOR OCD ONLY

- ☐ Notice Complete
☐ 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.

Dana Thompson

Print or Type Name

Signature

7/24/2020

Date

539.573.3588

Phone Number

dana.thompson@wpxenergy.com

e-mail Address



July 24, 2020

VIA ONLINE FILING

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

Re: Application for administrative approval of an unorthodox well location for the **BEAGLE 35-34-22-27 FEE #401H**; API 30-15-45682; located in the S2 of Sections 34 and 35, T22S R27E, N.M.P.M., Eddy County, New Mexico

Dear Director Sandoval:

WPX Energy Permian, LLC ("WPX"), hereby requests administrative approval of an unorthodox location for the **Beagle 35-34-22-27 FEE #401H** (API 30-15-45682) to be completed within the Purple Sage Wolfcamp Pool (98220) underlying the N2 S2 of Sections 34 and 35, Township 22S, Range 27E, N.M.P.M., Eddy County, New Mexico.

This well will be drilled from a surface location of 1,075 from the south line and 613 feet from the east line (Unit P) of Section 35 to a bottom hole location of 2,120 feet from the south line and 50 from the west line (Unit L) of section 34. The **first take point** will be located 330 feet from the east line and 2,120 feet from the south line (Unit I) of Section 35, and the **last take point** will be 100 feet from the west line and 2,120 feet from the south line (Unit L) of Section 34. **** Please note that the surface hole location, last take point, and bottom hole location differs from what is currently approved through the APD. A Sundry changing these locations was submitted to the OCD on July 23, 2020 and is attached hereto for reference.**

Pursuant to Division Order R-14262, this acreage is governed by the Special Rules for the Purple Sage; Wolfcamp (Gas) Pool which provide for wells in the Wolfcamp formation in Eddy County to be located no closer than 330 feet to the outer boundary of the spacing unit. The completed interval for the **Beagle 35-34-22-27 FEE #401H** will be unorthodox because it is closer than 330 feet to the western boundary of the spacing unit in Section 34. Approval of the unorthodox completed interval will allow WPX 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 **Beagle 35-34-22-27 FEE #401H** well encroaches on the drilling and spacing unit to the west in Section 33, Township 22S, Range 27E.

Exhibit B is a land plat for Sections 34 and 35 that shows the proposed **Beagle 35-34-22-27 FEE #401H** in relation to the adjoining spacing unit to the west in Section 33, Township 22S, Range 27E.



Ownership is diverse between the subject spacing unit and the 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 WPX's petroleum engineer confirming that that WPX's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink that reads "Dana Thompson". The signature is fluid and cursive, with the first name "Dana" being more prominent.

Dana Thompson
Regulatory Analyst II

Enclosures as stated



July 24, 2020

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Marathon Oil Permian, LLC
5555 San Felipe St.
Houston, TX 77056

Re: Application for administrative approval of an unorthodox well location for the **BEAGLE 35-34-22-27 FEE #401H**; API 30-15-45682; located in the S2 of Sections 34 and 35, T22S 27E, N.M.P.M., Eddy County, New Mexico

To Whom It May Concern:

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 (20) days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 875050. 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 me directly at (539) 573-3588 or you may email me at dana.thompson@wpxenergy.com.

It would be greatly appreciated, if you have no objections to the application, that you signify waiving the twenty-day period by signing below and then emailing a scanned copy to the above mentioned email.

Sincerely,

A handwritten signature in cursive script that reads "Dana Thompson".

Dana Thompson
Regulatory Analyst II

I hereby waive the twenty-day period in which to file an objection to the above-referenced application.

Name

Title

Date

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-45682
2. Name of Operator WPX Energy Permian, LLC		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
3. Address of Operator 3500 One Williams Center		6. State Oil & Gas Lease No.
4. Well Location Unit Letter L : 2,339 feet from the South line and 402 feet from the West line Section 36 Township 22S Range 27E NMPM Eddy County		7. Lease Name or Unit Agreement Name Beagle 35-34-22-27 Fee
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		8. Well Number 401H
9. OGRID Number 246289		10. Pool name or Wildcat Purple Sage Wolfcamp Gas Pool

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Amending the SHL, LTP and BHL. NSL application will be submitted on 7/24/2020.
 New SHL: Unit P, Sec 35, 22S, 27E, 1,075' FSL, 613 FEL
 New LTP: 100' FWL of Sec 34
 New BHL: 50' FWL of Sec 34

Please find the following attached:
 Revised C-102
 Revised Directional Plan

No other revisions are needed.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE Regulatory Tech DATE 07-23-2020

Type or print name Dana Thompson E-mail address: dana.thompson@wpenergy.com PHONE: 539-573-3588

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

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, 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 98220	³ Pool Name PURPLE SAGE WOLFCAMP GAS POOL
⁴ Property Code	⁵ Property Name BEAGLE 35-34-22-27 FEE	⁶ Well Number 401H
⁷ OGRID No. 246289	⁸ Operator Name WPX ENERGY PERMIAN, LLC	⁹ Elevation 3,085'

¹⁰ Surface Location

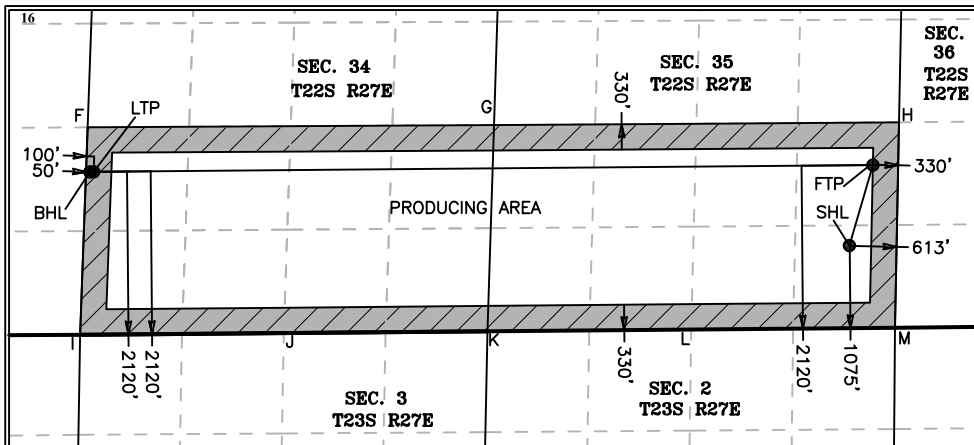
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	22 S	27 E		1,075	SOUTH	613	EAST	EDDY

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
L	34	22 S	27 E		2,120	SOUTH	50	WEST	EDDY

¹² Dedicated Acres 640 AC S/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



SURFACE HOLE LOCATION

NAD 83 (NME)
Y= 489,128.0
X= 596,715.5
LAT.= 32.344557°N
LONG.= 104.154014°W
NAD 27 (NME)
Y= 489,068.6
X= 555,534.0
LAT.= 32.344437°N
LONG.= 104.153513°W

FIRST TAKE POINT

NAD 83 (NME)
Y= 490,175.9
X= 597,019.8
LAT.= 32.347436°N
LONG.= 104.153023°W
NAD 27 (NME)
Y= 490,116.5
X= 555,838.3
LAT.= 32.347316°N
LONG.= 104.152522°W

LAST TAKE POINT

NAD 83 (NME)
Y= 490,088.1
X= 586,876.5
LAT.= 32.347237°N
LONG.= 104.185869°W
NAD 27 (NME)
Y= 490,028.8
X= 545,695.1
LAT.= 32.347118°N
LONG.= 104.185367°W

BOTTOM HOLE LOCATION

NAD 83 (NME)
Y= 490,087.6
X= 586,826.4
LAT.= 32.347236°N
LONG.= 104.186031°W
NAD 27 (NME)
Y= 490,028.3
X= 545,645.0
LAT.= 32.347117°N
LONG.= 104.185529°W

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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Larry E. Rader 11-14-2019
Signature Date

Larry E. Rader

Printed Name

larry.rader@wpxenergy.com

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.

10-18-2019

Date of Survey

Signature and Seal of
Professional Surveyor:

Mark Dillon Harp

MARK DILLON HARP 23786

Certificate Number



RR

2018051182



Date: 7/23/2020
 Map Scale (at 8.5" x 11"):
 Created By: joresley
 3800 One Williams Center
 Tulsa, OK 74172



Projection: GCS North American 1927

Affected Tract Map

0 0.2 0.4 0.8 1.2 1.6 Miles





July 24, 2020

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Marathon Oil Permian, LLC
5555 San Felipe St.
Houston, TX 77056

Re: Application for administrative approval of an unorthodox well location for the **BEAGLE 35-34-22-27 FEE #401H**; API 30-15-45682; located in the S2 of Sections 34 and 35, T22S 27E, N.M.P.M., Eddy County, New Mexico

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Sincerely,

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Dana Thompson
Regulatory Analyst II

I hereby waive the twenty-day period in which to file an objection to the above-referenced application.

Name

Title

Date

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p>	
<p>1. Article Addressed to:</p> <p style="text-align: center;">Marathon Oil Permian, LLC 5555 San Felipe St. Houston, TX 77056</p>		<p>B. Received by (Printed Name) C. Date of Delivery</p>	
<p>2. Article Number (Transfer from service label)</p> <p style="text-align: center;">7018 3090 0002 1743 5987</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p style="text-align: center;">  9590 9402 4974 9063 8123 93 </p>		<p>3. Service Type <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™</p> <p> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) </p>	

Domestic Return Receipt

PS Form 3811, July 2015 PSN 7530-02-000-9053

7018 3090 0002 1743 5987

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<p>Certified Mail Fee \$</p> <p>Extra Services & Fees (check box, add fee as appropriate)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$</p> <p><input type="checkbox"/> Return Receipt (electronic) \$</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$</p> <p><input type="checkbox"/> Adult Signature Required \$</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$</p> <p>Postage \$</p> <p>Total Postage and Fees \$</p>	<p>Postmark Here</p>
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Sent To

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



July 23, 2020

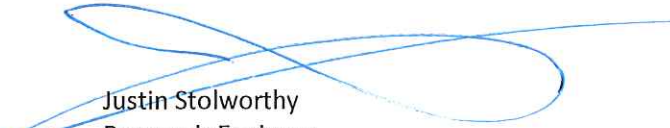
Director Adrienne Sandoval
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for administrative approval of unorthodox well locations
BEAGLE 35-34-22-27 FEE #402H; API 30-015-47278
BEAGLE 35-34-22-27 FEE #401H; API 30-015-45682
S2 S2 of Sections 34 and 35, T22S 27E, N.M.P.M., Eddy County, New Mexico

Dear Director Sandoval:

WPX Energy Permian, LLC ("WPX"), hereby requests administrative approval of an unorthodox location for the above referenced wells by decreasing the last take point(s) from 330 feet to 100 feet from the horizontal plane outer boundary. The wells are in the Purple Sage; Wolfcamp Gas pool (98220). It is WPX's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take point will increase the wells effective lateral length by 230 feet thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,



Justin Stolworthy
Reservoir Engineer

3500 One Williams Center, MD 35, Tulsa, OK 74172