

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



NSL-6861

**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

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 \_\_\_\_\_

*Logos Operating  
 API Pending  
 Rita #7N  
 Sec. 5/T23N/R6W*

[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.**

John Austin Akers

VP of Land

9/5/2013

Print or Type Name

Signature

Title

Date

aakers@logosresourcesllc.com

e-mail Address



4001 N. Butler Blvd. Bldg 7101  
Farmington, NM 87401  
Phone: (832) 794-1355  
Fax: (303) 974-1767

Ms. Jami Bailey, Director  
New Mexico Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Sent Via Priority Mail Delivery  
Confirmation- 9/5/2013

**Re: Logos Operating, LLC  
Request for Administrative Approval  
Unorthodox Well Location  
Counselors Gallup-Dakota pool  
Rita 7N Well- API not yet granted- permit submitted 9/4/2013  
562' FSL and 1858' FWL (vertical)  
SE/4SW/4 Section 5, T23N, R6W  
Rio Arriba County, New Mexico**

2013 SEP -9 PM 1:03  
RECEIVED OGD

Dear Ms. Bailey:

On behalf of Logos Operating, LLC ("Logos") and pursuant to Division Rule 19.15.15.13 and the special pool rules governing the well location requirements for the Counselors Gallup-Dakota pool, we request administrative approval an unorthodox well location for the RITA 7N to be located 562' FSL and 1858' FWL of Section 5, T23N, R6W NMPM in Rio Arriba County. The SW/4 of Section 16 will be dedicated to the well.

The special pool rules for the Gallup-Dakota pool (oil) provide that wells shall be drilled not closer than 660' to any quarter section boundary and not closer than 1320' to any other well drilled or drilling that is capable of producing from the same pool. The location proposed for this well is consequently unorthodox by approximately 98' to the South toward the spacing unit in the NW/4 of Section 8, T23N, R6W, NMPM. It is also unorthodox by approximately 174 feet toward the Rita 5 well located 890' FSL and 760' FWL. The C-102 plat showing the proposed location for the well is attached hereto.

Logos seeks an exception from the applicable well location rules for the following reasons: The BLM (surface owner only) has identified cultural and environmentally sensitive areas that require this specific location as opposed to other potential locations in the qtr-qtr.

Pursuant to Order No. R-7034, the only operator that is encroached upon by this NSL request is LOGOS Operating, (Operator of the Rita 7N and the NW/4 of Section 8) as such, no notification to any other affected party should be required.

The Division's Administrative Application Checklist is enclosed. Should more information be required, please do not hesitate to contact me at 303-550-1877.

Very truly yours,

John Austin Akers

Vice President of Land

DISTRICT I  
1626 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
611 S. First St., Artesia, N.M. 88210  
Phone: (575) 746-1883 Fax: (575) 746-0720

DISTRICT III  
1000 Rio Brazos Rd., Aztec, 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

<sup>1</sup> API Number <b>30-039-31198</b>		<sup>2</sup> Pool Code <b>13379</b>	<sup>3</sup> Pool Name <b>Counselors GALLUP/DAKOTA</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>RITA</b>		<sup>6</sup> Well Number <b>7N</b>
<sup>7</sup> OGRID No. <b>289408</b>	<sup>8</sup> Operator Name <b>LOGOS OPERATING, LLC</b>		<sup>9</sup> Elevation <b>6803</b>

<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 line	County
N	5	23-N	6-W		562	SOUTH	1858	WEST	RIO ARRIBA

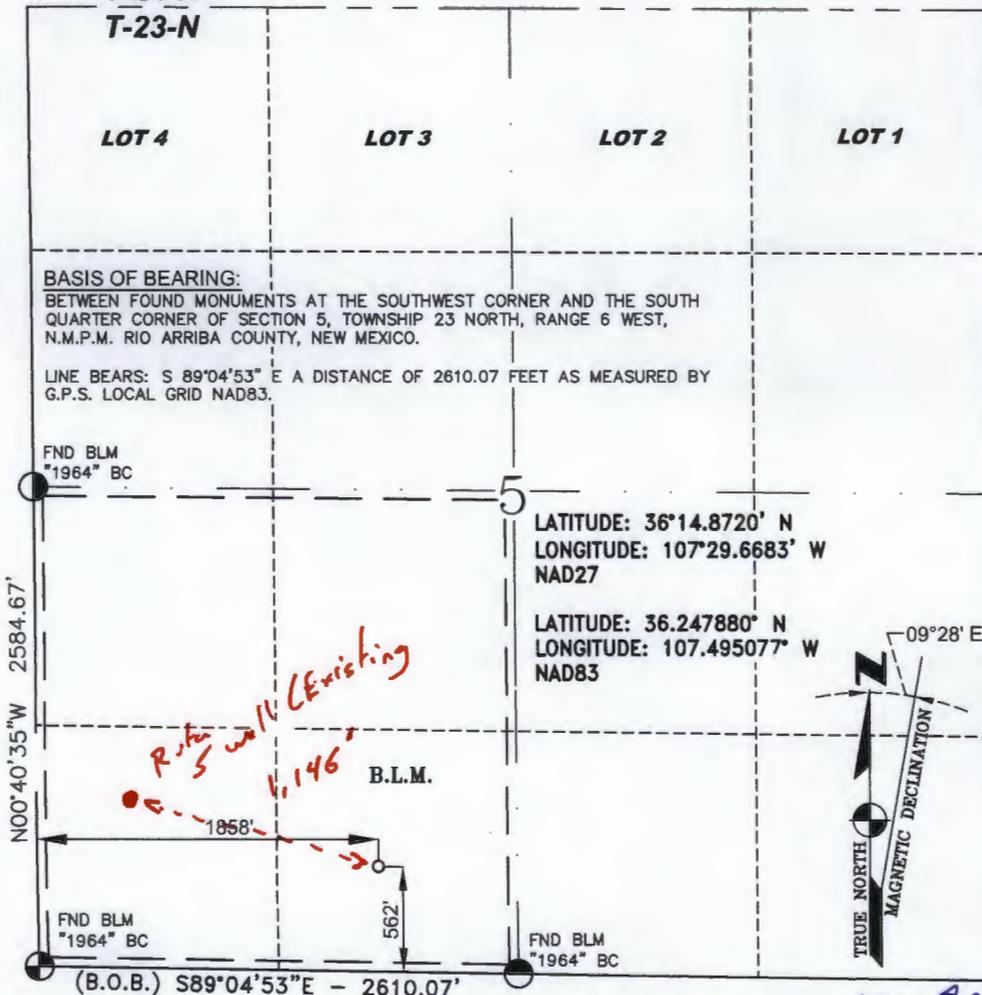
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres			<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

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**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.

*Austin Akers*  
Signature      Date **9/4/13**

Printed Name  
**Austin Akers**  
E-mail Address **aaakers@logosresourcesllc.com**

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.

**JULY 30, 2013**  
Date of Survey

Signature and Seal of Professional Surveyor



**GLEN W. RUSSELL**  
Certificate Number      **15703**

OIL CONSERVATION DIVISION

P. O. BOX 2088

STATE OF NEW MEXICO  
OIL AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

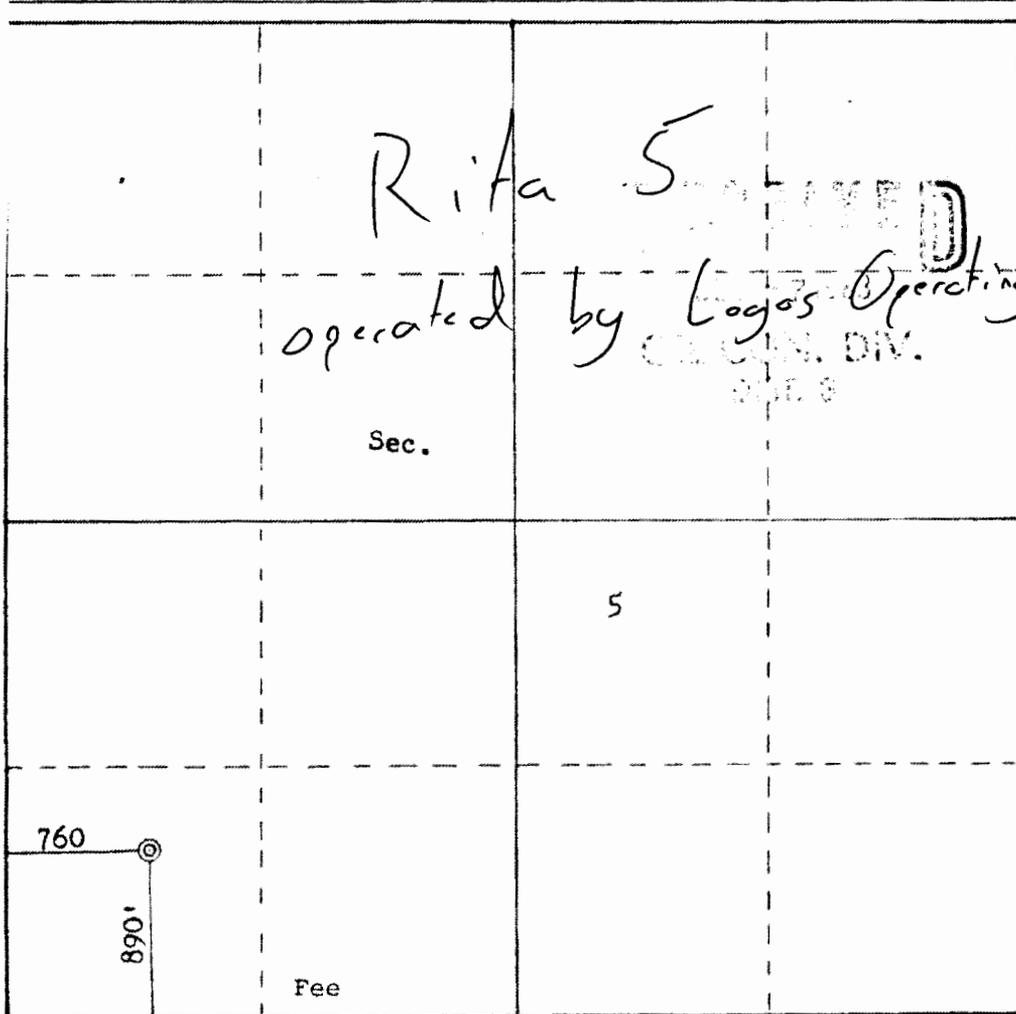
Operator <b>MERRION OIL &amp; GAS CORPORATION</b>			Lease <b>RITA</b>		Well No. <b>5</b>
Init Letter <b>M</b>	Section <b>5</b>	Township <b>23N</b>	Range <b>6W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well:					
<b>890</b> feet from the <b>South</b> line and		<b>760</b> feet from the <b>West</b> line			
Ground Level Elev. <b>6820</b>	Producing Formation <b>Gallup</b>	Pool <b>Counselors Gallup</b>		Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>Steve S. Dunn</i>	
Name	Steve S. Dunn
Position	Operations Manager
Company	Merrion Oil & Gas Corporation
Date	12/6/83
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 knowledge and belief.	
Date Surveyed	December 1, 1983
Registered Professional Engineer and Land Surveyor	<i>Fred B. Kerr Jr.</i>
Certificate No.	3950

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Monday, September 16, 2013 11:15 AM  
**To:** aakers@logosresourcesllc.com  
**Subject:** Rita #7N; NSL Application

Good morning Mr. Akers

This application raises the same issues as the one we corresponded about last week. Both are in pools that have an exception procedure that is not identical to the NSL procedure in 19.15.15.13 NMAC.

To again avoid the ambiguity about the meaning of "offset operators" in the pool rules, please advise if working interest ownership in the NW/4 of Section 8 is identical to that in the SW/4 of Section 5. If so an NSL can be granted without notice under 19.15.15.13, and I do not have to be concerned about whether or not notice would be required under Order R-7304.

Thanks  
David K. Brooks

## Brooks, David K., EMNRD

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**From:** John Austin Akers <aakers@logosresourcesllc.com>  
**Sent:** Monday, September 16, 2013 12:32 PM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: Rita #7N; NSL Application

Dear Mr. Brooks,

The ownership in the N/2NW/4 of Section 8 is identical to the ownership in the SW/4 of Section 5. Logos also operates the S/2NW/4 of Section 8, however the royalty interest owners do differ. Please let me know if the ownership in the N/2NW would suffice as the affected parties.

Thank you,

John "Austin" Akers  
Vice President of Land  
Logos Resources, LLC  
Phone: 615-523-2661

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**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Monday, September 16, 2013 12:15 PM  
**To:** John Austin Akers  
**Subject:** Rita #7N; NSL Application

Good morning Mr. Akers

This application raises the same issues as the one we corresponded about last week. Both are in pools that have an exception procedure that is not identical to the NSL procedure in 19.15.15.13 NMAC.

To again avoid the ambiguity about the meaning I "offset operators" in the pool rules, please advise if working interest ownership in the NW/4 of Section 8 is identical to that in the SW/4 of Section 5. If so an NSL can be granted without notice under 19.15.15.13, and I do not have to be concerned about whether or not notice would be required under Order R-7304.

Thanks  
David K. Brooks

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