

1/09/2014	SUSPENSE	MAM	1/10/2014	NSP	PMAM 1401038859
DATE IN		ENGINEER	LOGGED IN	TYPE DHC	APP NO PMAM 1401041063

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]

NSL
 NSP
 DHC
 W P X

- [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 _____

Chaco 2308-16Z
 30-045-35500
 - BASIN
 MANCOS
 - WAGGERS
 GALLUP

- [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

Continued from
 Jan. 9 hearing
 Case No 15070

- [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.

Adam G. Rankin

Print or Type Name

Signature

Attorney

Title

01/09/14

Date

agrarkin@hollandhart.com
 e-mail Address



January 24, 2014

VIA HAND DELIVERY

Jami Bailey
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Amended Application of WPX Energy Production, LLC for administrative approval of an 80-acre non-standard spacing unit in the Basin-Mancos Gas Pool (97232) and approval of an unorthodox well location in the spacing unit; and approval to downhole commingle production from the Nageezi Gallup Pool (47540) and the Basin Mancos Gas Pool (97232), San Juan County, New Mexico.

Dear Ms. Bailey:

WPX Energy Production, LLC (OGRID 120782) seeks to amend the above-referenced application filed on January 9, 2014. *See* WPX Administrative Application, attached hereto as **Exhibit A**. Specifically, WPX seeks to change the bottom hole location and the location of the completed interval as described below. Therefore, WPX is including with this amended application a copy of the amended C-102 filed with the Division amending those locations, attached hereto as **Exhibit B**, identified below. Exhibit B also depicts the location of the well bore's completed interval, as discussed below. In all other respects, the amended application is the same as the original application.

WPX owns a leasehold interest in the S/2 S/2 of Section 16, Township 23 North, Range 8 West, NMPM, San Juan County, New Mexico. WPX plans to drill the Chaco 2308 16I 148H well as a horizontal well in the S/2 S/2 of Section 16 at a surface location 1531 feet from the South line and 281 feet from the East line (Unit I) and a bottom hole location 380 feet from the South line and 230 feet from the West line (Unit M). The completed interval for this well bore will be between the first perforation at 380 feet from the East line and 380 feet from the South line and the last perforation at 330 from the West line and 380 feet from the South line of said Section 16.

The SW/4 of said Section 16 is located in the Basin-Mancos Gas Pool (97232) and subject to the special rules for that pool created under Order R-12984. The SE/4 of said Section 16 is located in the Nageezi-Gallup Pool (47540), an oil pool that is not listed in paragraphs (3) and (4) of Order R-12984.

The special rules for the Basin-Mancos Gas Pool require that an oil well drilled within the area encompassed by these rules that is near an oil pool not listed in paragraphs (3) and (4) of Order R-12984 must conform to the special rules for the Basin-Mancos Gas Pool. *See* Appendix A to Order R-12984 (special rules) at Rule 1. These special rules require 320-acre spacing and that the well remains 660 feet from the outer boundary of the spacing unit. *Id.* at Rule 2.

The completed interval of the segment of WPX's proposed horizontal well located in the Nageezi-Gallup Pool in the S/2 SE/4 of Section 16 will be at a standard location and will have dedicated to it standard spacing units for oil pools comprised of Units P and O. However, the remaining portion of the wellbore located in the Basin-Mancos Gas Pool in the S/2 SW/4 of Section 16 will have dedicated to it a non-standard 80-acre spacing unit comprised of Units N and M instead of the 320-acre spacing unit required by the special pool rules. In addition, the portion of the wellbore in the S/2 SW/4 will be at a non-standard location 330 feet from the West line and 380 feet from the South line of the proposed unit instead of the 660 feet required by the special rules.

Accordingly, to allow WPX an opportunity to efficiently and economically recover the reserves in these adjacent pools underlying the S/2 S/2 of Section 16, WPX respectfully requests that the Division issue administrative orders granting the following relief:

- (1) Pursuant to NMAC 19.15.15.13.C, approve a non-standard horizontal well location 380 feet from the South line and 330 feet from the West line in the S/2 SW/4 of Section 16;
- (2) Pursuant to NMAC 19.15.15.11.B(2), approve an 80-acre non-standard spacing and proration unit in the Basin-Mancos Gas Pool comprised of the S/2 SW/4 (Units M and N); and
- (3) Pursuant to NMAC 19.15.12.11.C(1), approve the commingling of production from the Nageezi-Gallup Pool and the Basin-Mancos Gas Pool in WPX's proposed horizontal well to be located in the S/2 S/2 of said Section 16.

As further support for this application, WPX has provided the following exhibits with this letter:

Exhibit A is the original administrative application with all exhibits. The only changes included in this amended application are the bottom hole location and location of the completed interval. In all other respects, the amended application remains the same.

Exhibit B is the Well Location and Acreage Dedication Plat (Form C-102), which shows that as a result of the 660 foot setbacks required by the special rules for the Basin-Mancos Gas Pool, the proposed completed interval of the Chaco 2308 16I 148H well, to be located between



January 24, 2014

Page 3

the first perforation at 380 feet from the East line and 380 feet from the South line and the last perforation at 330 feet from the West line and 380 feet from the South line of Section 16, encroaches on the spacing and proration units to the South and West of the SW/4 of Section 16.

A copy of this amended application with all attachments has been sent by certified mail, return-receipt requested, to each of the affected parties identified in Exhibit D to the original application, advising them that if they have an objection they must file it in writing with the division within 20 days from the date the division receives this application.

Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin

ATTORNEY FOR

WPX ENERGY PRODUCTION LLC

cc: Michael McMillan, Oil Conservation Division via e-mail



January 9, 2014

VIA HAND DELIVERY

Jami Bailey
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of WPX Energy Production, LLC for administrative approval of an 80-acre non-standard spacing unit in the Basin-Mancos Gas Pool (97232) and approval of an unorthodox well location in the spacing unit; and approval to downhole commingle production from the Nageezi Gallup Pool (47540) and the Basin Mancos Gas Pool (97232), San Juan County, New Mexico.

Dear Ms. Bailey:

WPX Energy Production, LLC (OGRID 120782) owns a leasehold interest in the S/2 S/2 of Section 16, Township 23 North, Range 8 West, NMPM, San Juan County, New Mexico. WPX plans to drill the Chaco 2308 16I 148H well as a horizontal well in the S/2 S/2 of Section 16 at a surface location 1500 feet from the South line and 228 feet from the East line (Unit I) and a bottom hole location 380 feet from the South line and 380 feet from the West line (Unit M).

The SW/4 of said Section 16 is located in the Basin-Mancos Gas Pool (97232) and subject to the special rules for that pool created under Order R-12984. The SE/4 of said Section 16 is located in the Nageezi-Gallup Pool (47540), an oil pool that is not listed in paragraphs (3) and (4) of Order R-12984.

The special rules for the Basin-Mancos Gas Pool require that an oil well drilled within the area encompassed by these rules that is near an oil pool not listed in paragraphs (3) and (4) of Order R-12984 must conform to the special rules for the Basin-Mancos Gas Pool. *See* Appendix A to Order R-12984 (special rules) at Rule 1. These special rules require 320-acre spacing and that the well remains 660 feet from the outer boundary of the spacing unit. *Id.* at Rule 2.

The completed interval of the segment of WPX's proposed horizontal well located in the Nageezi-Gallup Pool in the S/2 SE/4 of Section 16 will be at a standard location and will have dedicated to it standard spacing units for oil pools comprised of Units P and O. However, the remaining portion of the wellbore located in the Basin-Mancos Gas Pool in the S/2 SW/4 of Section 16 will have dedicated to it a non-standard 80-acre spacing unit comprised of Units N



and M instead of the 320-acre spacing unit required by the special pool rules. In addition, the portion of the wellbore in the S/2 SW/4 will be at a non-standard location 380 feet from the outer boundary of the proposed unit instead of 660 feet required by the special rules.

Accordingly, to allow WPX an opportunity to efficiently and economically recover the reserves in these adjacent pools underlying the S/2 S/2 of Section 16, WPX respectfully requests that the Division issue administrative orders granting the following relief:

- (1) Pursuant to NMAC 19.15.15.13.C, the Division approve a non-standard horizontal well location 380 feet from the South line and 380 feet from the West line in the S/2 SW/4 of Section 16;
- (2) Pursuant to NMAC 19.15.15.11.B(2), the Division approve an 80-acre non-standard spacing and proration unit in the Basin-Mancos Gas Pool comprised of the S/2 SW/4 (Units M and N); and
- (3) Pursuant to NMAC 19.15.12.11.C(1), the Division approve the commingling of production from the Nageezi-Gallup Pool and the Basin-Mancos Gas Pool in WPX's proposed horizontal well to be located in the S/2 S/2 of said Section 16.

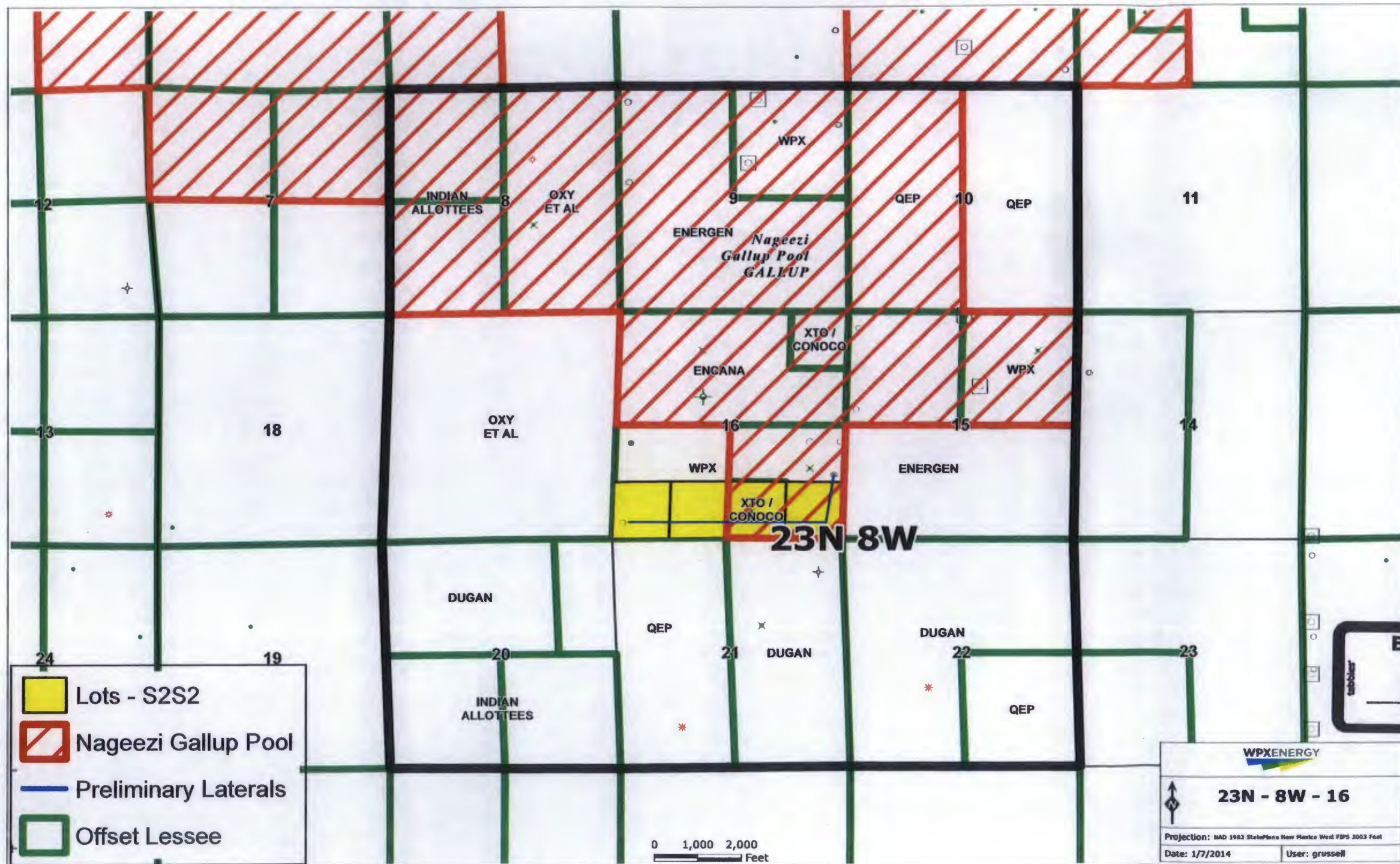
As further support for this application, WPX has provided the following exhibits with this letter:

Exhibit A is a land plat of Section 16 and the surrounding sections showing the location of the Chaco 2308 16I 148H in the S/2 S/2 of Section 16 and the adjoining spacing units and wells.

Exhibit B is the Well Location and Acreage Dedication Plat (Form C-102), which shows that as a result of the 660 foot setbacks required by the special rules for the Basin-Mancos Gas Pool, the proposed Chaco 2308 16I 148H well encroaches on the spacing and proration units to the South and West of the SW/4 of Section 16.

Exhibit C is a copy of a completed form C-107-A (application for downhole commingling).

Exhibit D is a list of the affected parties for both the request for approval of the non-standard well location and for the request for the creation of a non-standard spacing unit in the Basin-Mancos Gas Pool. A copy of this application with all attachments has been sent by certified mail to each of these affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the division receives this application.



EXHIBIT

A

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

District II
811 S. First Street, 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 Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code	*Pool Name
	97232 / 47540	BASIN MANCOS (M&N) / NAGEEZI GALLUP (O&P)
*Property Code	*Property Name	*Well Number
	CHACO 2308-16I	148H
*GRID No.	*Operator Name	*Elevation
120782	WPX ENERGY PRODUCTION, LLC	6866'

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
I	16	23N	8W		1531	SOUTH	281	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

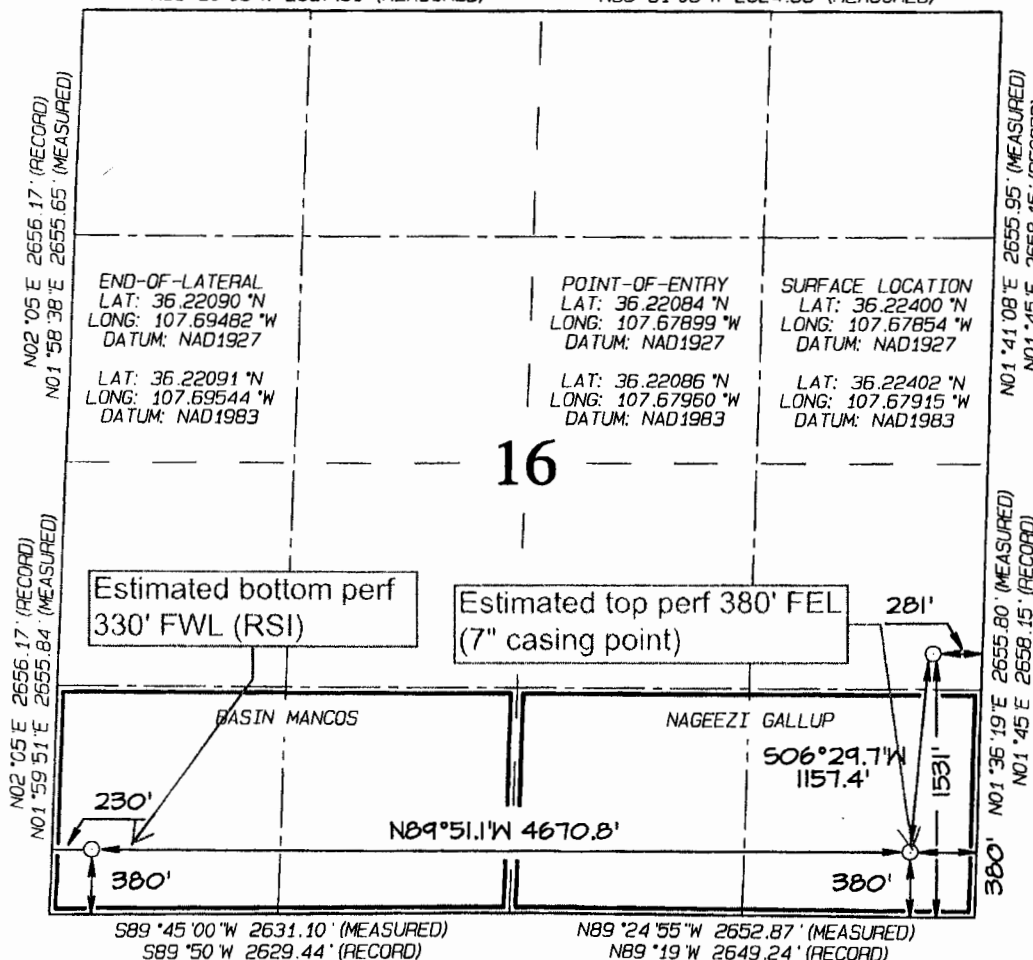
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	23N	8W		380	SOUTH	230	WEST	SAN JUAN

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Under No.
160.0 Acres - (S/2 S/2)			

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

N89°43'W 2627.13' (RECORD)
N89°50'08"W 2627.81' (MEASURED)

N89°43'W 2627.13' (RECORD)
N89°51'06"W 2624.33' (MEASURED)



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.

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.

Date Revised: JANUARY 10, 2014
Survey Date: FEBRUARY 1, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: WPX Energy Production, LLC

Address: P.O. Box 640, Aztec, NM 87410

Lease: Chaco 2308-161 Well No.: 148H Unit Letter-Section-Township-Range: Surface: I-16-23N-8W County: San Juan
BHL: P, O, N, M -16-23N-8W
OGRID No. 120782 Property Code 39581 API No. Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UNITS P & O	UNITS N & M	
Pool Name	Nageezi Gallup	Basin Mancos	
Pool Code	47450	97232	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5438' - 5538'	5438' - 5538'	
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	1635 psi	1635psi	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	40 degrees API	40 degrees API	
Producing, Shut-In or New Zone	New Zone	New Zone	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: May 1, 2014 Rates: 205 BOPD - based on Chaco 2308-161 #147H Prod'n	Date: May 1, 2014 Rates: 205 BOPD - based on Chaco 2308-161 #147H Prod'n	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 50% 50%	Oil Gas 50% 50%	Oil Gas % %

Note: This
Commingling
application is to
commingle two
pools in the same
formation. This
will be a horizontal
well bore and the
entire producing
lateral will be 5438'
- 5538' TVD

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes _____ No ☒
Yes ☒ No _____

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No _____

Will commingling decrease the value of production?

Yes _____ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No _____

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Ken McQueen TITLE: Director, San Juan Region DATE: November 20, 2013

TYPE OR PRINT NAME: Ken McQueen

TELEPHONE NO: (539) 573-2889

E-MAIL ADDRESS: ken.mcqueen@wpxenergy.com

EXHIBIT

C

EXHIBIT D
WPX ENERGY PRODUCTION, LLC

Mulberry Partners II LLP
105 S. 4th St.
Artesia, NM 88210

OXY Y-1 Company
5 Greenway Plaza
Houston, TX. 77046-0506
P.O. Box 27570
Houston, TX. 77227-7570

XTO Energy Inc.
810 Houston St.
Fort Worth, Texas 76102-6298

ConocoPhillips
P.O. Box 2197
Houston, TX. 77252-2197

QEP Energy Co.
1050 17th St., Ste 500
Denver, CO 80265

Encana Oil & Gas (USA) Inc.
370 - 17 Street, Suite 1700
Denver, CO 80202

Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499-0420

Downhole Commingling

NM State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87504

7006 0100 0005 5770 9021

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Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.31

Postmark
NOV 27 2013

Energen Resources Corporation
 2010 Afton place
 Farmington, NM 87401

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

SECTION ON DELIVERY

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Energen Resources Corporation
 2010 Afton place
 Farmington, NM 87401

A. Signature
 X *B. Velarde* ☐ Agent ☐ Addressee

B. Received by (Printed Name) *B. Velarde* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

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PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

7006 0100 0005 5770 9045

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Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.31

Postmark
NOV 27 2013

Mulberry Partners II LLP
 105 S. 4th St.
 Artesia, NM 88210

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

SECTION ON DELIVERY

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mulberry Partners II LLP
 105 S. 4th St.
 Artesia, NM 88210

A. Signature
 X *J. Delgado* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *J. Delgado* C. Date of Delivery *12-2-13*

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

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Domestic Return Receipt

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OFFICIAL WPX/138H

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Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.31

Postmark
 NOV 27 2013

OXY Y-1 Company
 P.O. Box 27570
 Houston, TX. 77227-7570

for Instructions

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY Y-1 Company
 P.O. Box 27570
 Houston, TX. 77227-7570

2. Article Number

(Transfer from service label)

7006 0100 0005 5770 7607

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SECTION ON DELIVERY

A. Signature

[Signature] ☒ Agent ☐ Addressee

B. Received by (Printed Name)

[Signature]

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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For delivery information visit our website at www.usps.com

OFFICIAL WPX/138H

Postage	\$ 1.66
Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.31

Postmark
 NOV 27 2013

Encana Oil & Gas (USA) Inc.
 370 - 17 Street, Suite 1700
 Denver, CO 80202

for Instructions

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Encana Oil & Gas (USA) Inc.
 370 - 17 Street, Suite 1700
 Denver, CO 80202

2. Article Number

(Transfer from service label)

7006 0100 0005 5770 9052

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

DEC 02 2013

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	6.31
Total Postage & Fees	\$ 13.62

Postmark
Here

QEP Energy Co.
 1050 17th St., Ste 500
 Denver, CO 80265

for instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

QEP Energy Co.
 1050 17th St., Ste 500
 Denver, CO 80265

2. Article Number

(Transfer from)

7006 0100 0005 5770 9083

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SECTION ON DELIVERY

A. Signature

X

☐ Agent

☒ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☒ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7006 0100 0005 5770 9038

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OFFICIAL RECEIPT

Postage	\$ 1.66
Certified Fee	3.10
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	6.31
Total Postage & Fees	\$ 13.62

Postmark
Here
NOV 27 2013

Dugan Production Corporation
 P.O. Box 420
 Farmington, NM 87499-0420

for instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Dugan Production Corporation
 P.O. Box 420
 Farmington, NM 87499-0420

2. Article Number

(Transfer from)

7006 0100 0005 5770 9038

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SECTION ON DELIVERY

A. Signature

X

☐ Agent

☒ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7006 0100 0005 5770 9069

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OFFICIAL WRX/4874

Postage	\$ 1.66	Postmark Here DEC 27 2013
Certified Fee	3.10	
Return Receipt Fee (Endorsement Required)	2.55	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	6.31	

XTO Energy Inc.
 810 Houston St.
 Fort Worth, Texas 76102-6298

for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

XTO Energy Inc.
 810 Houston St.
 Fort Worth, Texas 76102-6298

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. A

(Transfer from)

PS Form 3811, February 2004

102595-02-M-1540

7006 0100 0005 5770 9472

U.S. Postal Service™
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For delivery information visit our website at www.usps.com

OFFICIAL WRX/3874

Postage	\$ 1.66	Postmark Here DEC 27 2013
Certified Fee	3.10	
Return Receipt Fee (Endorsement Required)	2.55	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 6.31	

ConocoPhillips
 P.O. Box 2197
 Houston, TX. 77252-2197

for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

ConocoPhillips
 P.O. Box 2197
 Houston, TX. 77252-2197

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article

(Transfer from)

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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COPY OF PUBLICATION

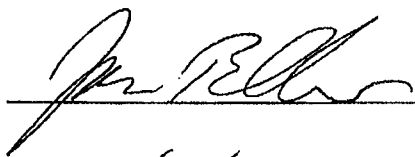
Ad No. 69748

**STATE OF NEW MEXICO
County of San Juan:**

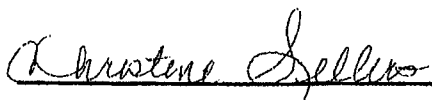
JOHN ELCHERT, being duly sworn says:
That HE is the PUBLISHER of THE DAILY
TIMES, a daily newspaper of general
circulation published in English at Farmington,
said county and state, and that the hereto
attached Legal Notice was published in a
regular and entire issue of the said DAILY
TIMES, a daily newspaper duly qualified for
the purpose within the meaning of Chapter
167 of the 1937 Session Laws of the State of
New Mexico for publication and appeared in
the Internet at The Daily Times web site on
the following day(s):

Saturday, December 21, 2013

And the cost of the publication is \$87.31



ON 12/23/13 JOHN ELCHERT
appeared before me, whom I know personally
to be the person who signed the above
document.





HOLLAND & HART^{LLP}



Adam G. Rankin
Associate
Phone (505) 988-4421
Fax (505) 983-6043
AGRankin@hollandhart.com

January 9, 2014

Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501

Re: Application of WPX Energy Production, LLC for downhole commingling

Dear Commissioner Powell:

Attached is the administrative application of WPX Energy Production, LLC ("WPX") for, among other things, a request to downhole commingle. This administrative application will be filed later today with the New Mexico Oil Conservation Division. Thank-you for your attention to this matter.

Sincerely,

Adam G. Rankin

AGR

Holland & Hart^{LLP}

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ♻

McMillan, Michael, EMNRD

From: Adam Rankin <AGRankin@hollandhart.com>
Sent: Friday, January 17, 2014 9:23 AM
To: McMillan, Michael, EMNRD
Cc: Lisamarie Ortiz
Subject: RE: WPX Chaco 2308-16I San Juan County, New Mexico

Mike,

We did; in fact just this morning we had a call with WPX to discuss this issue.

After discussing with them the location of their perfs, they have decided to amend their application and request a NSL 330 feet off the west line. That is 50 feet closer to the outer-boundary of the proposed spacing unit that we had originally requested and provided notice for. Therefore, we are going to file an amended application and re-notice the offsets indicating that WPX is seeking a location 330 off the west line. We hope to get the amended application filed and the notice sent today. That will restart our 20-day clock.

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Friday, January 17, 2014 9:19 AM
To: Adam Rankin
Subject: RE: WPX Chaco 2308-16I San Juan County, New Mexico

Adam:

Did you receive any information from WPX for the following information:

Location of perforated interval: Footage description

Bottom hole location: Footage description

The bottom hole location in your letter does not match the C-102 on file. The BHL on the C-102 On OCD website says 230 FWL. Your letter states 380 FWL.

Mike

From: Adam Rankin [<mailto:AGRankin@hollandhart.com>]
Sent: Friday, January 10, 2014 11:18 AM
To: McMillan, Michael, EMNRD
Cc: Goetze, Phillip, EMNRD
Subject: RE: WPX Chaco 2308-16I San Juan County, New Mexico

Michael,

Thanks for the email. I will check in with WPX, but I believe we need to update the C-102 on file. If that is the case, we will make sure that happens promptly.

Best,
Adam

Adam G. Rankin
Holland & Hart LLP
110 North Guadalupe Suite 1
P.O. Box 2208
Santa Fe, NM 87504
Office: (505) 988-4421

Direct: (505) 954-7294
Cell: (505) 570-0377
Fax (505) 983-6043
E-mail: agrarkin@hollandhart.com
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CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Friday, January 10, 2014 10:42 AM
To: Adam Rankin
Cc: Goetze, Phillip, EMNRD
Subject: WPX Chaco 2308-16I San Juan County, New Mexico

Adam:

I need clarification on the WPX Chaco 2308 16I San Juan County, New Mexico well

Please provide the following information:

Location of perforated interval: Footage description

Bottom hole location: Footage description

The bottom hole location in your letter does not match the C-102 on file. The BHL on the C-102 On OCD website says 230 FWL. Your letter states 380 FWL.

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