

4/18/2014 DATE IN	SUSPENSE	MAW ENGINEER	4/21/2014 LOGGED IN	NSL TYPE	PMAM141145498 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



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2014 12 10 10 26

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 _____

[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

Jennifer Elrod
Signature

sr. Regulatory Analyst 4/15/14
Title Date

jelrod@lng2.com
e-mail Address



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

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

April 7, 2014

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

Re: Legend Natural Gas III, LP, NSL Application
Pardue 29 Federal Com 6H
Unit C, Section 29 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 Pardue 29 Federal Com 6H in Eddy County, New Mexico. This application is being sent in regards to the Pardue 29 Federal Com 6H proposed production interval being 166.1' at the first take point and 163.5' at the last take point from the quarter/quarter line in Section 29, T-24-S, R-28-E in the Willow Lake; Bone Spring pool (64450).

The affected offset wells to the Pardue 29 Federal Com 6H are the Pardue 29 Federal Com 8H and the Pardue Federal Com 7H, all proposed APD's with the Bureau of Land Management. Notification has been send via certified mail to the offset mineral owners as well as working interest 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 29 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
1623 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 Aragon 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 30-015	Pool Code 64450	Pool Name Willow Lake; Bone Spring
Property Code	Property Name PARDUE 29 FEDERAL COM	Well Number 6H
GRID No. 258894	Operator Name LEGEND NATURAL GAS III, LP	Elevation 3034'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	24-S	28-E		45	NORTH	1610	EAST	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
O	29	24-S	28-E		331.3	SOUTH	1490	EAST	EDDY

Dedicated Acres 160	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

<p>GEODETIC COORDINATES NAD 83 NME</p> <p>SURFACE LOCATION Y=435035.8 N X=611539.1 E LAT.=32.195787° N LONG.=104.106384° W</p> <p>FIRST TAKE POINT Y=434743.4 N X=611668.2 E LAT.=32.194982° N LONG.=104.105969° W</p> <p>CORNER COORDINATES TABLE NAD 27</p> <p>A - Y=435027.6 N, X=569332.2 E B - Y=435020.9 N, X=570648.6 E C - Y=429675.4 N, X=570684.8 E D - Y=429678.4 N, X=569357.8 E</p> <p>NAD 83</p> <p>A - Y=435085.9 N, X=610515.6 E B - Y=435079.2 N, X=611832.0 E C - Y=429733.6 N, X=611868.4 E D - Y=429736.6 N, X=610541.3 E</p> <p>GEODETIC COORDINATES NAD 83 NME</p> <p>LAST TAKE POINT Y=430120.7 N X=611702.3 E LAT.=32.182275° N LONG.=104.105890° W</p> <p>BOTTOM HOLE LOCATION Y=430065.2 N X=611702.7 E LAT.=32.182122° N LONG.=104.105889° W</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=434977.4 N X=570355.6 E LAT.=32.195866° N LONG.=104.105892° W</p> <p>FIRST TAKE POINT Y=434685.1 N X=570484.8 E LAT.=32.194861° N LONG.=104.105476° W</p> <p>GRID AZ.=156°10'07" HORIZ. DIST.=319.7'</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>LAST TAKE POINT Y=430062.5 N X=570518.8 E LAT.=32.182154° N LONG.=104.105398° W</p> <p>BOTTOM HOLE LOCATION Y=430007.0 N X=570519.2 E LAT.=32.182001° N LONG.=104.105397° W</p>		<p>OPERATOR CERTIFICATION</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 Elrod</i> Date: 03/25/2014</p> <p>Printed Name: Jennifer Elrod</p> <p>E-mail Address: jelrod@lnq2.com</p> <p>SURVEYOR CERTIFICATION</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>NOVEMBER 22, 2013</p> <p>Date of Survey</p> <p>Signature of State of New Mexico Surveyor: <i>GARY G. EIDSON</i></p> <p>GARY G. EIDSON NEW MEXICO 12641 3/25/14</p> <p>Certification Number: 12641</p> <p>DSS DATE: 3/25/14 JWSC W.O.: 14.13.0259</p>
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

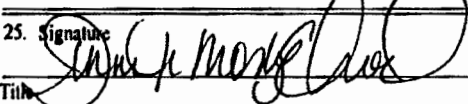
FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM92757 & NM110829
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator LEGEND NATURAL GAS III, LP		7. If Unit or CA Agreement, Name and No.
3a. Address 777 MAIN ST., STE. 900 FORT WORTH, TX 76102		8. Lease Name and Well No. PARDUE 29 FEDERAL COM 6H
3b. Phone No. (include area code) 817-872-7822		9. API Well No. 30-015-
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 45 FNL AND 1810 FEL At proposed prod. zone BH-331.3 FSL AND 1490 FEL		10. Field and Pool, or Exploratory Willow Lake; Bone Spring (64450)
14. Distance in miles and direction from nearest town or post office* APPROX 4.13 MILES WEST/SOUTHWEST OF MALAGA, NM		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 29, T-24S, R-28E
15. Distance from proposed* 45 FNL location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease NM92757-1081.18 NM110829-560.0	12. County or Parish EDDY
17. Spacing Unit dedicated to this well 160 ACRES	18. Distance from proposed location* SURFACE-30' to nearest well, drilling, completed, SUB-SURFACE applied for, on this lease, ft. PARDUE 29 Fed Com 6H-1136' (HORIZ) PARDUE 29 Fed Com 7H-1136' (HORIZ)	13. State NM
19. Proposed Depth 12707' MD; 8008' TVD	20. BLM/BIA Bond No. on file NMB000525	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3034' GR	22. Approximate date work will start* 04/01/2014	23. Estimated duration 2 MONTHS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed Typed) JENNIFER MOSLEY ELROD	Date 02/08/2014
Title SR. REGULATORY ANALYST		
Approved by (Signature)	Name (Printed Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

th, YX 76102



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Charles R. & Deborah A. Wiggins
P.O. Box 10862
Midland, Texas 79702

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Richard M. Coats
P.O. Box 2412
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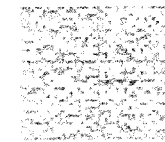
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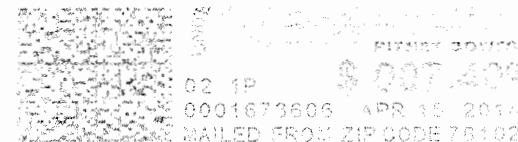
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Street, Apt. No., or PO Box No.: 2006 Gulf Avenue
City, State, ZIP+4: Midland, TX 79705

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Pardue Limited Company
126 North Canyon Street
Carlsbad, NM 88220

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Street, Apt. No. or PO Box No. 126 N. Canyon Street
City, State, ZIP+4 Carlsbad, NM 88220

en, JX 70102



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Carlsbad, NM 88220-4292

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Occidental Oil & Gas Corporation
5 Greenway Plaza, Suite 110
Houston, Texas 77046

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HL, YL 74102



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