

NSL- 7713

Revised March 23, 2017

RECEIVED: 4/14/2018	REVIEWER: LRL	TYPE: NSL	APP NO: DMA 1810951830
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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: Centennial Resource Production, LLC**OGRID Number:** 372165**Well Name:** Asadero 3 State Com No. 301H Well**API:** 30-025-44271**Pool:** Grama Ridge, Bone Spring**Pool Code:** 28434

**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 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**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.

Adam G. Rankin

Print or Type Name

Signature

April 19, 2018

Date

505-988-4421

Phone Number

agrarkin@hollandhart.com

e-mail Address



Adam G. Rankin
Associate
Phone (505) 954-7294
Fax (505) 983-6043
AGRankin@hollandhart.com

April 19, 2018

VIA HAND DELIVERY

APR 19 2018 4:09:42

Heather Riley
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 Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Asadero 3 State Com No. 301H Well in the W/2 W/2 of Section 3, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.

Dear Ms. Riley:

Centennial Resource Production, LLC (OGRID 372165) seeks administrative approval of an unorthodox well location for its **Asadero 3 State Com No. 301H Well** (API No. 30-025-44271) to be completed within the Grama Ridge, Bone Spring (Pool Code 28434) underlying Section 3, Township 21 South, Range 34 East, Lea County, New Mexico. This well will be drilled from a surface location 300 feet from the south line and 865 feet from the west line (Unit M) of Section 3. The upper most perforation will be located 330 feet from the south line and 330 feet from the west line (Unit M) of Section 3, and the lower most perforation point will be located 100 feet from the north line and 330 feet from the west line (Lot 4) of Section 3. Since this acreage is governed by the Division's statewide rules which provide for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it is closer than 330 feet to the northern and northwestern boundaries of the project area.

Approval of the unorthodox completed interval will allow Centennial to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Asadero 3 State Com No. 301H Well** encroaches on the spacing and proration units to the north and northwest.

Exhibit B is a land plat for Section 3 and the surrounding sections that shows the **Asadero 3 State Com No. 301H Well** in relation to adjoining units and existing wells.

HOLLAND & HART^{LLP}



Exhibit C is a list of the parties affected by the encroachment to the north and northwest. Each of the parties listed on Exhibit C have been provided notice of this application by certified mail. A copy of this application has been provided to the State Land Office.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Rankin', with a long horizontal flourish extending to the right.

Adam G. Rankin
**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

cc: New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

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, 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	³ Pool Name
⁴ Property Code	⁵ Property Name ASADERO 3 STATE COM	⁶ Well Number 301H
⁷ OGRID No.	⁸ Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC	⁹ Elevation 3695.0'

¹⁰ Surface Location

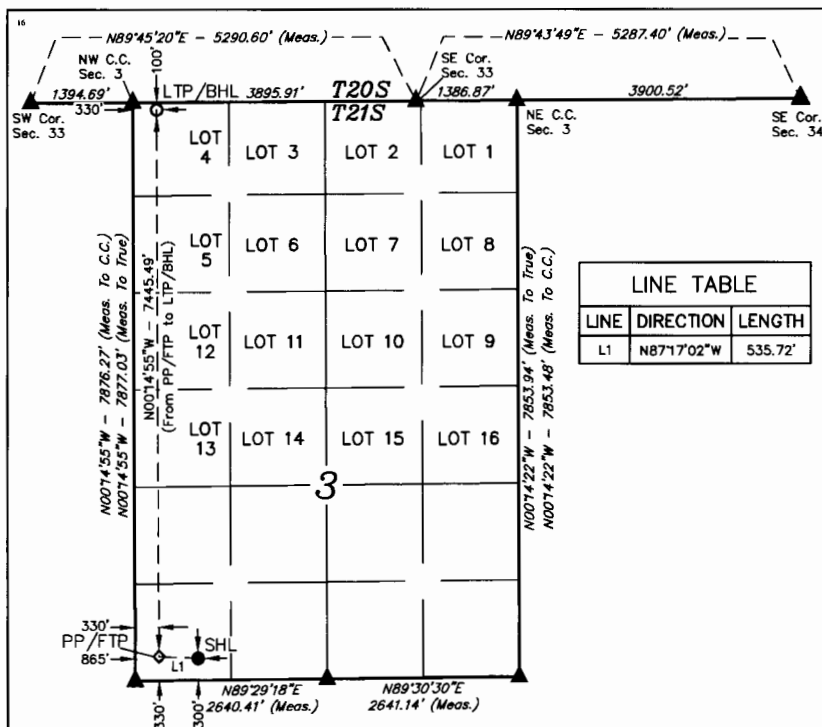
UL or lot no. M	Section 3	Township 21S	Range 34E	Lot Idn	Feet from the 300	North/South line SOUTH	Feet from the 865	East/West line WEST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. 4	Section 3	Township 21S	Range 34E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 330	East/West line WEST	County LEA
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¹² Dedicated Acres 238.5	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.



NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

- = SURFACE HOLE LOCATION
- ◆ = TAKE POINT
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°30'05.51" (32.501531°)
LONGITUDE = 103°27'48.73" (103.465353°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 547281.63' X: 809490.90'
UTM, NAD 83 (ZONE 13)
Y: 11801383.63' X: 2113969.32'

NAD 83 (PP/FTP)
LATITUDE = 32°30'05.79" (32.501607°)
LONGITUDE = 103°27'54.97" (103.465270°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 547304.75' X: 808955.77'
UTM, NAD 83 (ZONE 13)
Y: 11801403.41' X: 2113434.13'

NAD 83 (LTP/TP)
LATITUDE = 32°31'19.45" (32.522068°)
LONGITUDE = 103°27'55.01" (103.465280°)
STATE PLANE NAD 83 (N.M. EAST)
Y: 554748.78' X: 808892.03'
UTM, NAD 83 (ZONE 13)
Y: 11808845.89' X: 2113323.83'

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 _____

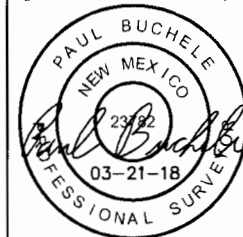
E-mail Address _____

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.

September 21, 2017

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

EXHIBIT

A

EXHIBIT C

Tract 1:

MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240





Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Centennial Resources Production - Astro 3 State Com No 301H Well
CM#94344.0001 20180418
Mailing List

Shipment Date: 04/18/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

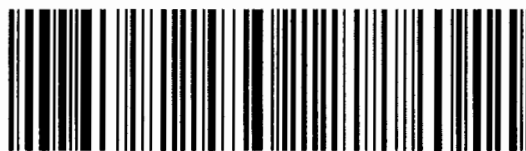
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0008 0765 56



Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service	
Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501	<input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Priority Mail <input type="checkbox"/> Restricted Delivery		
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)		
1. 9214 8901 9403 8305 6209 50	MRC PERMAN COMPANY 5400 LYNDON B JOHNSON FWY #1500 DALLAS TX 75240-1017		
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office		
1			



Adam G. Rankin
Associate
Phone (505) 954-7294
Fax (505) 983-6043
AGRankin@hollandhart.com

April 19, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTS

TO AFFECTED PARTIES

Re: Application of Centennial Resource Production, LLC for administrative approval of an unorthodox well location for its Asadero 3 State Com No. 301H Well in the W/2 W/2 of Section 3, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

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 days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. 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 the following:

Carl Messina
Centennial Resource Production, LLC
(720) 499-1411
Carl.Messina@cdevinc.com

Sincerely,

Adam G. Rankin
**ATTORNEY FOR CENTENNIAL RESOURCE
PRODUCTION, LLC**

From: [Lowe, Leonard, EMNRD](#)
To: ["Adam Rankin"](#)
Cc: [Brown, Maxey G, EMNRD](#); [Kautz, Paul, EMNRD](#); [McMillan, Michael, EMNRD](#); [Jones, William V, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Dawson, Scott, EMNRD](#); [Martin, Ed](#); [Holm, Anchor E.](#); ["lisa@rwbyram.com"](#)
Subject: APPROVED NSL-7713_Centennial Resources Production_Asadero 3 State Com Well No. 301H _SEC 23 22S 34E
Date: Tuesday, May 15, 2018 10:10:00 AM
Importance: High

Mr. Adam Rankin,

The following administrative order has been issued and will soon be available on the Division's web site.

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Applicant: Centennial Resources Production, LLC [372165]

NSL-7713

WELL: Asadero 3 State Com Well No. 301H [API #: 30-025-44271]

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>