

ABOVE THIS LINE FOR DIVISION USE ONLY

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



NSP PDK 1305958456
30-045-35423

Logos #5

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 ☐ X 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.

J. Scott Hall
Montgomery & Andrews, P.A.

J. Scott Hall
Signature

Attorney for Applicant

27
2/26/2013
Date

Print or Type Name

Signature

Title

Date

shall@montand.com
e-mail Address



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Office: (505) 986-2646

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 27, 2013

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

HAND DELIVERED

**Re: Logos Resources LLC
Request for Administrative Approval
Non-Standard Oil Spacing Unit and Unorthodox Well Location
Basin-Mancos Gas Pool (97565)**

**Logos Well No. 5
API No. 30-045-35423
671' FSL and 973' FEL (P) (vertical)
SE/4 SE/4 Section 4, T23N, R8W, NMPM
San Juan County, New Mexico**

Dear Ms. Bailey:

On behalf of Logos Resources LLC ("Logos") and pursuant to Division Rule 19.15.15.11.B(2) (a) and (b) and the applicable rules governing the acreage and well location requirements for the Basin-Mancos Gas Pool (97232; Order No. R-12984), we request administrative approval for a 40-acre \pm non-standard oil spacing and proration unit comprised of the SE/4 SE/4 of Section 4, Township 23 North, Range 8 West, NMPM.

In addition, Logos seeks approval of an unorthodox well location for its Logos Well No. 5 to be located 671' from the south line and 973' from the east line of Section 4, T23N, R8W NMPM in San Juan County. This well will be drilled to a depth sufficient to test the Mancos and Basin-Dakota formations within the current horizontal boundaries of the Basin-Mancos Gas Pool.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Ms. Jami Bailey, Director
February 27, 2013
Page 2

Logos seeks an exception from the applicable acreage dedication and well location rules for the following reasons: Order No. R-12984 established special pool rules for the Basin-Mancos Pool as a gas pool with 320 acre spacing units and well location setbacks of 660'. The special pool rules also provide that oil wells located within two miles of certain Gallup oil pools or associated pools identified in Order No. R-12984 are to be drilled and spaced in accordance with the rules applicable to those pools. The spacing unit proposed in this case is located immediately adjacent to the Nageezi-Gallup Oil Pool (47540). The current rules for both that pool reflect statewide rules and provide that wells shall be located no closer than 330' to the boundary of a unit, with 40-acre units dedicated to the wells. However, neither of these pools is among the pools specified in Order No. R-12984 and therefore, the Division has advised that the rules for the pool may not be extended to the proposed spacing unit and well location. Therefore, this application for exception is made necessary.

This proposed well is no closer than 330' to the outer boundary of the SE/4 SE/4 of the section and otherwise complies with statewide acreage dedication and locational rules applicable to oil wells. The unit and well location are also consistent with the established development pattern for Mancos oil wells in the area. The 3160-3 APD along with the C-102 plat showing the SE/4 SE/4 spacing unit (S/2 for the Basin-Dakota) and the proposed location for the Logos Well No. 4 are attached as Exhibits A and B.

Logos Resources LLC owns and operates all of Section 4 T23N R8W under a single federal lease (NMNM-109398). Royalty and overriding royalty interests in the S/2 of Section 4, including the SE/4 SE/4 of the section are uniform. The Bureau of Land Management is being notified of this application, but no further notification is indicated under Division Rules 19.15.4.12 A(2) and (3) (Exhibit C).

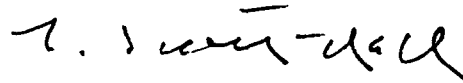
The Division's Administrative Application Checklist is enclosed.

Thank you for your consideration of this request. Should more information be required, please do not hesitate to contact me.

Ms. Jami Bailey, Director
February 27, 2013
Page 3

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive, flowing style.

J. Scott Hall
Attorneys for Logos Resources LLC

JSH:kw

Enclosures:

Exhibit A - APD
Exhibit B - C-102
Exhibit C - Notice List
Administrative Application Checklist

cc: John Austin Akers, Logos Resources LLC

CONFIDENTIAL

RECEIVED

Form 3160-3
(August 2007)

OCT 22 2012

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFarmington Field
Bureau of Land Management

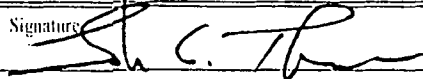
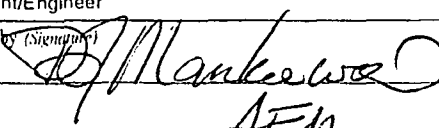
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 09398	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Logos Operating, LLC		7. If Unit or CA Agreement, Name and No. OIL CONS DIV.	
3a. Address 4001 North Butler Ave., Building 7101 Farmington, NM 87401		8. Lease Name and Well No. Logos #5 DIST. 3	
3b. Phone No. (include area code) 505-436-2627		9. API Well No. 36-046-38423	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 671' FSL, 973' FEL At proposed prod. zone same as above		10. Field and Pool or Exploratory Basin Dakota-Nageezi-Gallup	
11. Sec., T. R. M. or Blk. and Survey or Area Sec 4, T23N, R8W, UL P		12. County or Parish San Juan	
13. State NM		14. Distance in miles and direction from nearest town or post office*	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 640.35 acres	17. Spacing Unit dedicated to this well Basin Dakota - S/2 320 acres Nageezi-Gallup - SE/4SE/4	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. No other wells on lease.	19. Proposed Depth -6500'	20. BLM/BIA Bond No. on file 1062416 NM B000917	
21. Elevations (Show whether DE, KDB, RT, GL, etc.) 6867' GL	22. Approximate date work will start* 11/15/2012	23. Estimated duration 45 days	

24. Attachments

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

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

25. Signature 	Name (Printed Typed) John C. Thompson	Date 10/22/2012
Title Agent/Engineer		
Approved by (Signature) 	Name (Printed Typed) AFM	Date 11/7/13
Title FED		

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)

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

NMOC

JAN 18 2013

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
'GENERAL REQUIREMENTS'.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
to 43 CFR 3165.4

EXHIBIT A

CONFIDENTIAL

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (505) 393-6181 Fax: (505) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (505) 748-1283 Fax: (505) 748-8720

DISTRICT III
1000 Rio Bravo 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

Form C-102
Revised August 1, 2011

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

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-35423		*Pool Code 47232; 71599	*Pool Name BASIN MANCOSHA BASIN DAKOTA
*Property Code 311963	*Property Name LOGOS		*Well Number 5
*OCRD No. 289408	*Operator Name LOGOS OPERATING, LLC		*Elevation 6867'

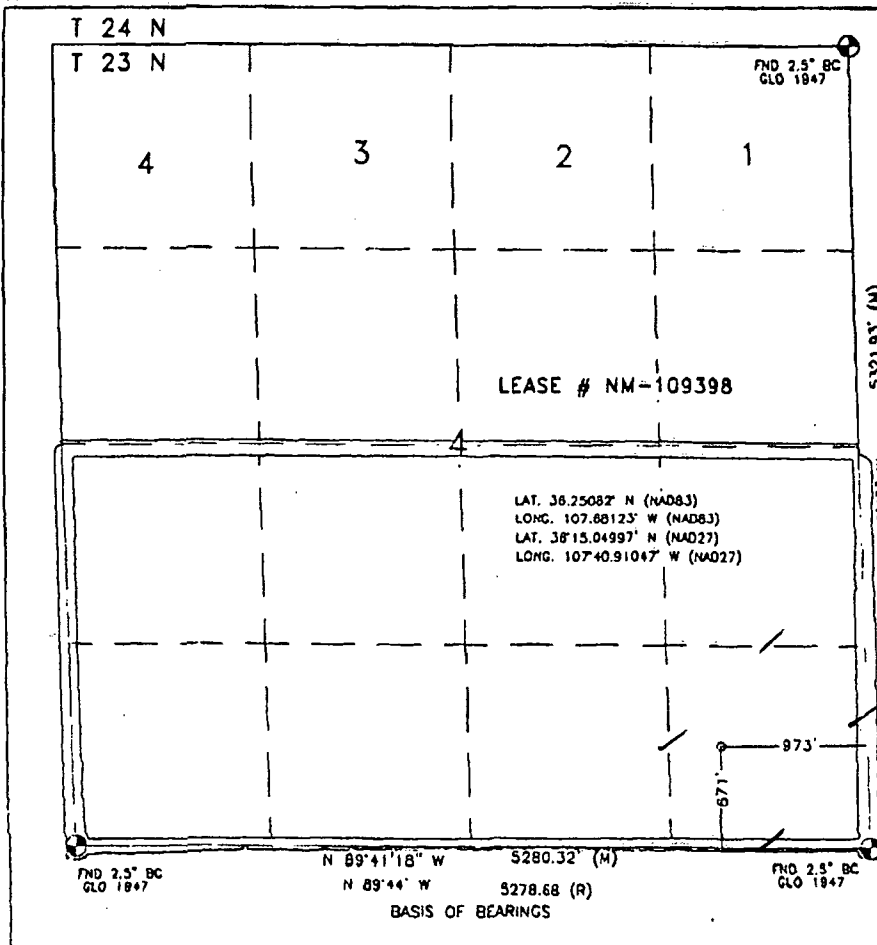
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	4	23N	8W		671'	SOUTH	973'	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
									RCVD JAN 15 '13
¹² Dedicated Acres Both Pools 320 - 5/2					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. OIL CONS. DIV. DIST. 3

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



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.

Kristy Graham
Signature Date 1/11/13

Kristy Graham
Printed Name

Kgraham@logosresourcesllc.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.

OCTOBER 1, 2012

Date of Survey
Signature and Seal of Registered Professional Land Surveyor

David Russell
10201
REGISTERED PROFESSIONAL LAND SURVEYOR

DAVID RUSSELL
Certificate Number 10201

EXHIBIT B

Notice List

Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401-8731



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Office: (505) 986-2646

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

February 27, 2013

Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401-8731

**CERTIFIED MAIL/
RETURN RECEIPT REQUESTED**

**Re: Logos Resources LLC
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Non-Standard Oil Spacing Unit and Unorthodox Well Location
Basin-Mancos Gas Pool (97565)**

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API No. 30-045-35423
671' FSL and 973' FEL (P) (vertical)
SE/4 SE/4 Section 4, T23N, R8W, NMPM
San Juan County, New Mexico**

Dear Sir or Madam:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.11 B and the rules and regulations for the Basin-Mancos Gas Pool, you are hereby notified that Logos Resources LLC has on this date made application to the NMOCD for administrative approval for a non-standard oil spacing unit and an unorthodox well location for its Logos Well No. 5 to be drilled at the location reflected above to the Mancos formation, Basin-Mancos Gas Pool, in San Juan County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Bureau of Land Management
February 27, 2013
Page 2

Should you consent to the application and the proposed non-standard spacing unit and unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

MONTGOMERY & ANDREWS, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

CONSENT:

By: _____

447710



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

RECEIVED

FEB 27 2013

Farmington Field Office
Bureau of Land Management

February 27, 2013

Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401-8731

**CERTIFIED MAIL/
RETURN RECEIPT REQUESTED**

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Telephone (505) 884-4200 • Fax (505) 888-8929
Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Bureau of Land Management
February 27, 2013
Page 2

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Sincerely,

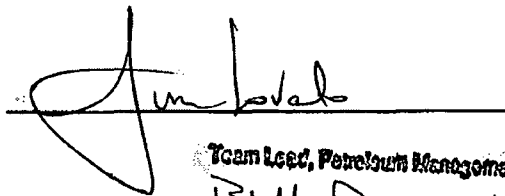
MONTGOMERY & ANDREWS, P.A.



J. Scott Hall

CONSENT:

By:



Team Lead, Petroleum Management
BLM, Farmington

447710