

DATE IN 7/07/2015	SUSPENSE	ENGINEER MAM	LOGGED IN 7/07/2015	TYPE NSL	APP NO. DMA151888782
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ABOVE THIS LINE FOR DIVISION USE ONLY

*Already hearing date*

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



*Case 15355*

## 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.

Heather Riley  
Print or Type Name

Signature

Regulatory Manager  
Title

7/6/2015  
Date

Heather.riley@wpenergy.com

e-mail Address

NE Chaco COM #255H; API: 30-039-31291

*NSL  
- WPX Energy Production, LLC  
120782*

*Well  
- NE Chaco COM  
#255H  
30-039-31291*

2015 JUL - 7 P 3: 09  
RECEIVED OCD

*Pool  
- Chaco Unit NE H2  
(011) 98088*



***Sent via Overnight Delivery***

July 6, 2015

David Catanach  
Division Director  
NEW MEXICO OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

*Re: Request for Administrative Approval for non-standard Chaco Unit NE HZ (Oil)  
Lateral; NE CHACO COM #255H, API: 30-039-31291*

Dear Mr. Catanach:

WPX Energy Production, LLC ("WPX"), pursuant to the provisions of Division Rule 19.15.15.13, hereby seeks administrative approval of an unorthodox end of lateral in the Chaco Unit NE HZ (Oil) (98088) pool for the *NE CHACO COM #255H*. This is a horizontal well with a surface location of 1305' FSL and 240' FWL, Section 5, T23N R6W and an end of lateral location of 325' FNL & 231' FEL, Section 8, T23N R6W. See attached plat.

Pursuant to NMOCD Order number R-13817 and R-13817A, a 9,238-acre Project Area was created as well as a new pool entitled Chaco Unit NE HZ (Oil) (98088). Under the provision of these orders, this pool shall be developed on 320-acre spacing and no portion of the completed interval shall be closer than 330 feet to the outer boundary of the Project Area.

The end of lateral for this well is located 231' from the eastern boundary of the Project Area. The bottom of the RSI tool was set at a depth of 10,808' MD, 315' FNL & 293' FEL making it unorthodox to the NW4 of Section 9, T23N, R6W and the SW4 of Section 4, T23N, R6W.

WPX owns 100% of the NW4 of Section 9, T23N, R6W. Coleman and JMJ Minerals have partial ownership in SW4 of Section 4, T23N, R6W.

David Catanach  
Division Director  
NEW MEXICO OIL CONSERVATION DIVISION  
July 6, 2015  
Page 2

As support for this application, the following exhibits are included:

**EXHIBIT A** is the Well Location and Acreage Dedication Plat (Form C-102), which shows the non-standard project area for the subject well.

**EXHIBIT B** is a land plat depicting the proposed subject well in relation to adjoining units and further identifies the owners in the affected leases.

**EXHIBIT C** is a list of the affected parties for the request for approval of a non-standard spacing unit. A copy of the application with all attachments has been sent to the affected party 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.

Should you have any questions or concerns, please don't hesitate to contact me.

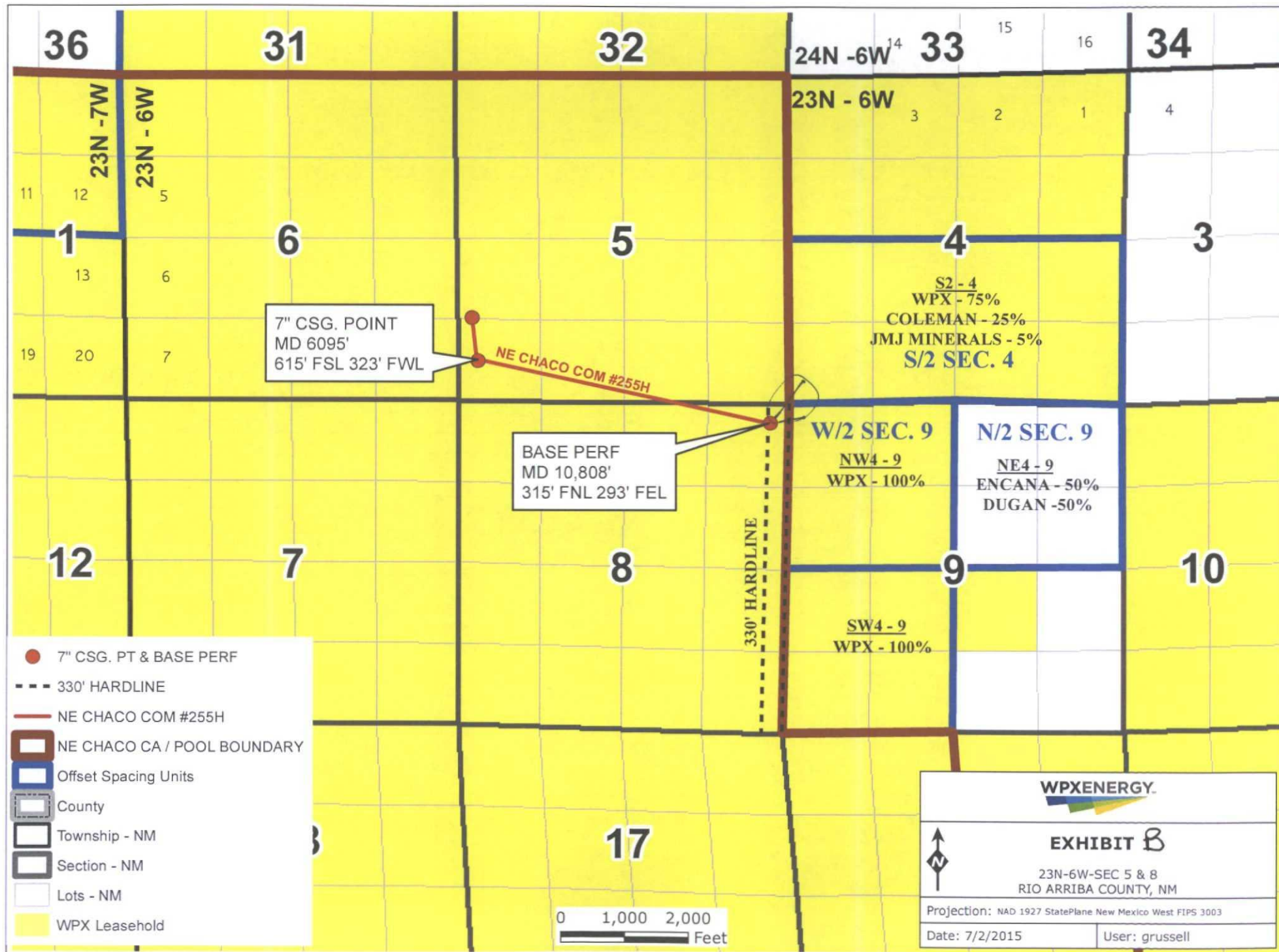
Sincerely,

A handwritten signature in black ink, appearing to read "Heather Riley", written in a cursive style.

Heather Riley  
Regulatory Manager

Enc.: As Stated





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

As Drilled Plat

Exhibit A

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-31291	*Pool Code 98088	*Pool Name CHACO UNIT NE HZ (OIL)
*Property Code 313800	*Property Name NE CHACO COM	*Well Number 255H
*GRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC	*Elevation 6830'

<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
L	5	23N	6W		1305	SOUTH	240	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	280	East/West line	County
A	8	23N	6W		325	NORTH	231	EAST	RIO ARriba

<sup>12</sup> Dedicated Acres  
640.00  
S/2 - Section 5  
N/2 - Section 8

<sup>13</sup> Joint or Infill

<sup>14</sup> Consolidation Code

<sup>15</sup> Order No.

R-13817-A

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

SURFACE LOCATION  
1305' FSL 240' FWL  
SECTION 5, T23N, R6W  
LAT: 36.249984°N  
LONG: 107.499985°W  
DATUM: NAD1927

LAT: 36.249997°N  
LONG: 107.500590°W  
DATUM: NAD1983

POINT-OF-ENTRY  
615' FSL 323' FWL  
SECTION 5, T23N, R6W  
LAT: 36.248086°N  
LONG: 107.499676°W  
DATUM: NAD1927

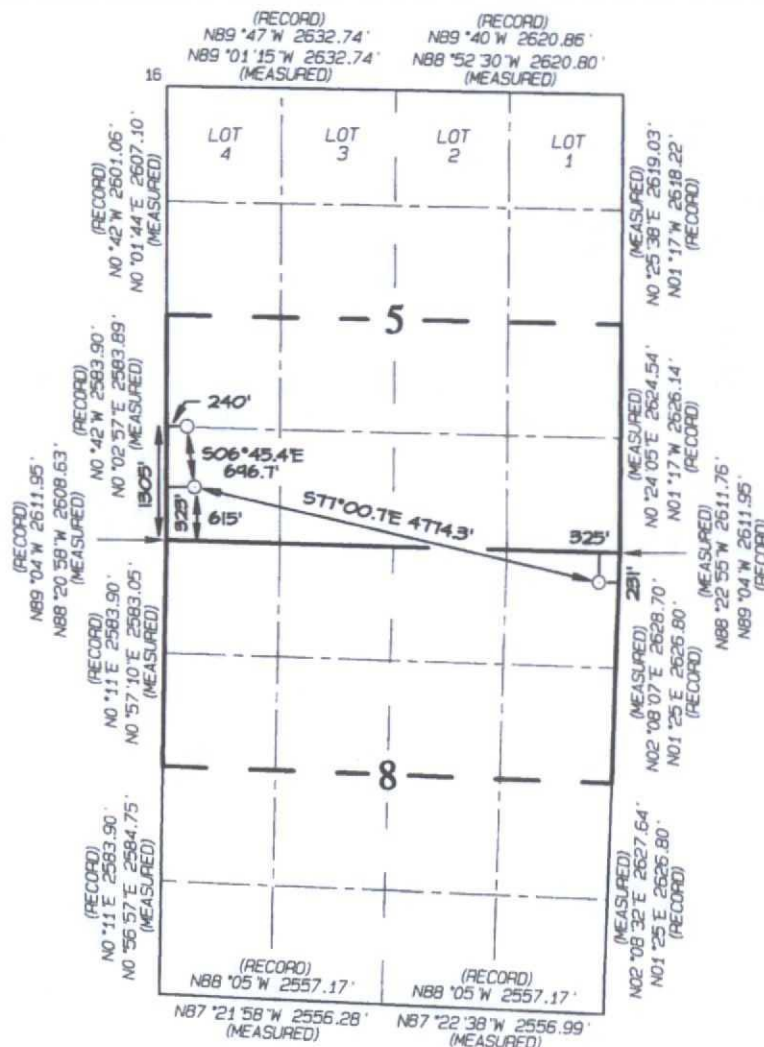
LAT: 36.248100°N  
LONG: 107.500282°W  
DATUM: NAD1983

RSI TOOL  
315' FNL 293' FEL  
SECTION 8, T23N, R6W  
LAT: 36.245333°N  
LONG: 107.484067°W  
DATUM: NAD1927

LAT: 36.245346°N  
LONG: 107.484671°W  
DATUM: NAD1983

END-OF-LATERAL  
325' FNL 231' FEL  
SECTION 8, T23N, R6W  
LAT: 36.245303°N  
LONG: 107.483856°W  
DATUM: NAD1927

LAT: 36.245316°N  
LONG: 107.484461°W  
DATUM: NAD1983



<sup>17</sup> 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: *Marie E. Jaramillo* Date: *11/6/15*

Printed Name: Marie E. Jaramillo

marie.jaramillo@wpenergy.com  
E-mail Address

<sup>18</sup> 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: MAY 4, 2015  
Survey Date: NOVEMBER 25, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269

**EXHIBIT C**  
**NE Chaco COM #255H NSL Application**

Mike Palmer  
COLEMAN OIL & GAS  
6540 E. Main St.  
Farmington, NM 87402

James Strickler  
JMJ LAND & MINERALS  
2005 N. Santiago Ave.  
Farmington, NM 87401





July 6, 2015

James Strickler  
JMJ LAND & MINERALS  
2005 N. Santiago Ave.  
Farmington, NM 87401

Re: NOTICE TO INTERESTED PARTY AND INTEREST OWNERS  
Application for Non-Standard Chaco Unit NE HZ (Oil) Pool Location  
NE Chaco COM #255H  
Section 5 T23N, R6W  
Rio Arriba County, New Mexico


Dear Interested Party or Interest Owner:

You have been identified as an Interested Party or Interest Owner having a right to notification of an application for a Non-Standard Location. Please find enclosed a complete copy of the application that was submitted to the New Mexico Oil Conservation Division July 6, 2015. Please be advised that you have twenty (20) days from the date that the NMOCD receives the application in their Santa Fe office to submit any objections. The objections must be submitted in writing to:

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

It would be greatly appreciated, if you do not have any objections, if you would sign the waiver below and send to my email address listed below. Please feel free to contact me should you have any questions or concerns.

Sincerely,

  
Heather Riley  
Regulatory Manager

I DO NOT HAVE ANY OBJECTIONS AND HEREBY WAIVE THE 20 DAY PERIOD.

---

DATED



July 6, 2015

Mike Palmer  
COLEMAN OIL & GAS  
6540 E. Main St.  
Farmington, NM 87402

Re: NOTICE TO INTERESTED PARTY AND INTEREST OWNERS  
Application for Non-Standard Chaco Unit NE HZ (Oil) Pool Location  
NE Chaco COM #255H  
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Sincerely,

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Heather Riley  
Regulatory Manager

I DO NOT HAVE ANY OBJECTIONS AND HEREBY WAIVE THE 20 DAY PERIOD.

---

DATED



## 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:

Coleman Oil & Gas  
6540 E main st.  
Farmington nm 87402  
Attn: Mike Palmer

## 2. Article Number

(Transfer from service label)

7013 1090 0001 7321 1282

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## COMPLETE THIS 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

## 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:

JMS Land & Minerals  
Attn: James Strickler  
2005 N. Santiago Ave  
Farmington nm 87401

## 2. Article Number

(Transfer from service label)

7013 1090 0001 7321 1299

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## COMPLETE THIS 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.

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☐ Yes