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WRITER:

Gary W. Larson, Partner glarson@hinklelawfirm.com

September 11, 2017

VIA HAND DELIVERY

Florene Davidson Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Re:

NewTex Partners LLC Application

will email the proposed hearing notice to you in Word format.

Dear Florene:

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WIT SEP II P 3: 50

Case 15846

Enclosed please find: (i) for filing, the original and one (1) copy of an application by NewTex Partners LLC for approval of a 320-acre, more or less, non-standard oil spacing and proration unit to be dedicated to the Thunderbolt #5H well; and (ii) a proposed hearing notice. I

As stated in the application, NewTex requests that the application be placed on the Division's October 12, 2017 hearing docket.

Thank you for your assistance.

Very truly yours,

Gary W. Larson

GWL:jwl Enclosures

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF NEWTEX PARTNERS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, CHAVES COUNTY, NEW MEXICO RECEIVED OCD
Case No. 1585.50

APPLICATION

Pursuant to NMSA § 70-2-17, NewTex Partners, LLC ("NewTex") applies for an order approving a 320-acre, more or less, non-standard spacing and proration unit in the W/2 of Section 16, Township 8 South, Range 28 East, NMPM, Chaves County, New Mexico.

- 1. NewTex is a working interest owner in the W/2 of Section 16 and has the right to drill a well thereon.
- 2. NewTex has obtained voluntary agreements from all of the other mineral interests in the proposed project area to participate in its proposed Thunderbolt #5H horizontal well.
- 3. NewTex proposes to dedicate the above-referenced non-standard spacing and proration unit as the project area for its Thunderbolt #5H well, which will be drilled from a surface location in Unit D to a bottom hole location in Unit M of Section 16, Township 8 South, Range 28 East.
- 4. The completed interval for the Thunderbolt #5H well will remain within the 330-foot standard offset required by 19.15.15.9(A) NMAC.
- 5. NewTex has contracted with Hadaway Consulting and Engineering, LLC ("Hadaway") to drill and operate the Thunderbolt #5H well. Consequently, NewTex requests that the Division designate Hadaway (OGRID No. 371985) as the operator of the well.

WHEREFORE, NewTex requests that this application be set for hearing on October 12, 2017 and that, after notice and hearing, the Division enter an order:

- A. Approving a 320-acre, more or less, non-standard spacing and proration unit (project area) in the San Andres formation in the W/2 of Section 16, Township 8 South, Range 28 East, in Chaves County; and
- B. Designating Hadaway as the operator of the project area and the Thunderbolt #5H well.

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Counsel for NewTex Partners, LLC

PROPOSED NOTICE

Case No. 15846: Application of NewTex Partners LLC for a non-standard oil spacing and proration unit, Chaves County, New Mexico. Applicant seeks an order creating a 320-acre, more or less, non-standard oil spacing and proration unit (project area) comprised of the W/2 of Section 16, Township 8 South, Range 28 East, NMPM, in Chaves County. The project area is to be dedicated to the Thunderbolt #5H well, which will be horizontally drilled from a surface location in Unit D to a bottom hole location in Unit M of Section 16, Township 8 South, Range 28 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost and the designation of Hadaway Consulting and Engineering, LLC as the operator of the well. The proposed project area is located approximately 30 miles northeast of Roswell, New Mexico.

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