

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
OCD Hobbs

FORM APPROVED  
OMB NO. 1004-0137  
Expires January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM117125

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
NMNM136574

8. Well Name and No.  
SHEBA FEDERAL COM 1H

9. API Well No.  
30-025-43358-00-S1

10. Field and Pool or Exploratory Area  
ANTELOPE RIDGE-BONE SPRING, W  
RED HILLS-BONE SPRING, NORTH

11. County or Parish, State  
LEA COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
CENTENNIAL RESOURCE PRODUCTION, LLC  
Contact: KANICIA CASTILLO  
Email: kanicia.castillo@cdevinc.com

3a. Address  
1001 17TH STREET SUITE 1800  
DENVER, CO 80202

3b. Phone No. (include area code)  
Ph: 720.499.1530

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 22 T24S R34E NENE 620FNL 535FEL  
32.123090 N Lat, 103.270363 W Lon

NOV 28 2018  
RECEIVED

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Off-Lease Measurement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Centennial Resource Production, LLC respectfully requests off lease measurement of gas production for this Sheba Federal Com 1H battery.

We have a check meter on the well pad to measure gas leaving the lease, then the gas is routed to the off lease sales meters for Targa and Lucid.

~~Targa gas meter # 181001068~~ is located at 32&#8304;12?33.24?N, 103&#8304;29?1.22?W. The ~~Lucid gas meter # 14432~~ is located at 32&#8304;12?35.37?N, 103&#8304;27?58.40?W.

We have notified working interest owner.

Centennial will be responsible for pipeline leaks and loss of production between facility and off

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #440851 verified by the BLM Well Information System  
For CENTENNIAL RESOURCE PRODUCTION, sent to the Hobbs  
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/24/2018 (19PP0217SE)

Name (Printed/Typed) KANICIA CASTILLO Title SR REGULATORY ANALYST

Signature (Electronic Submission) Date 10/23/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By *J.D. Whitlock Jr* Title *TL PET* Date *11/28/2018*

Conditions of approval, if any, are attached. Approval of this notice 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. Office *CFD*

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.

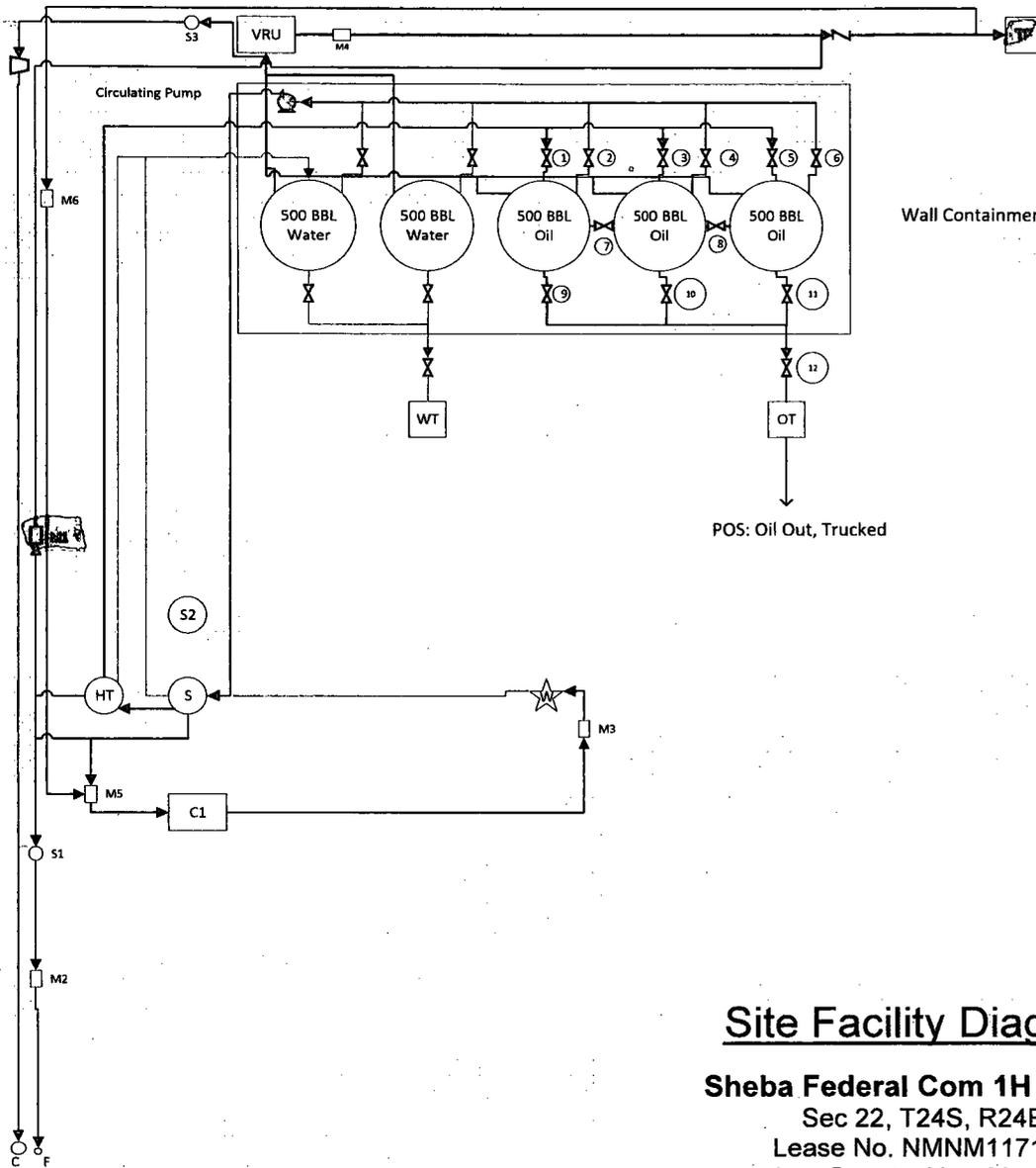
*Kz*

**Additional data for EC transaction #440851 that would not fit on the form**

**32. Additional remarks, continued**

lease sales meter.

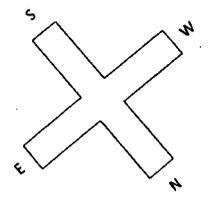
Please see attachments.



**POS: Gas Out, Pipeline to Targa COP & Uchi COP**

Wall Containment: 90' X 24' X 28"

- Production Phase**  
 Open Valves: 1, 7, 8  
 Closed Valves: 2, 3, 4, 5, 6, 9, 10, 11, 12
- Sales Phase**  
 Open Valves: 5, 9, 12  
 Closed Valves: 1, 2, 3, 4, 6, 7, 8, 10, 11



**M1: Production Gas Meter**

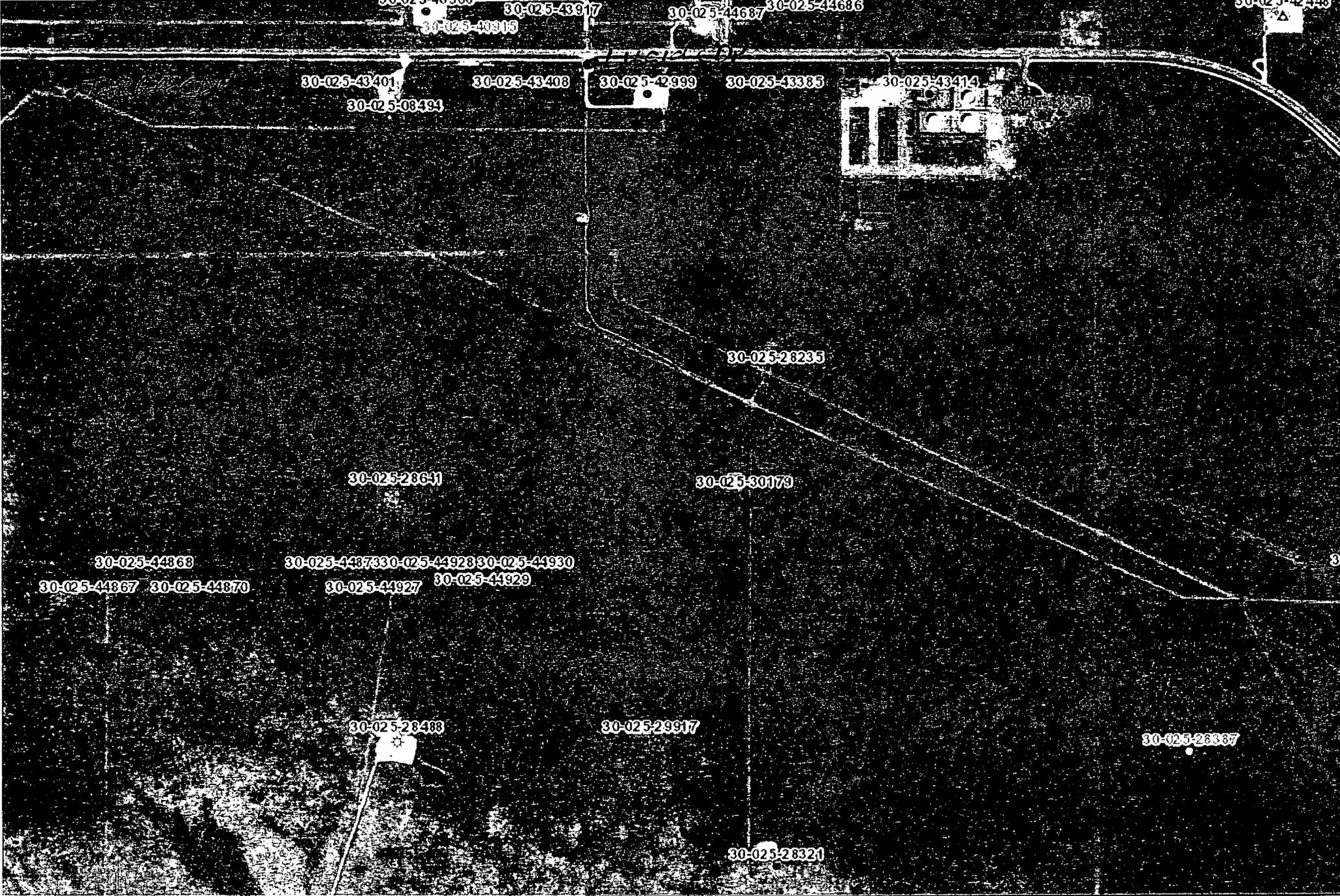
### Site Facility Diagram

**Sheba Federal Com 1H Battery**  
 Sec 22, T24S, R24E  
 Lease No. NMNM117125  
 Lea County, New Mexico

Location of Site Security Plan:  
 Centennial Resource Development, INC  
 500 W. Illinois, Suite 500  
 Midland, TX 79101



Sheba Fed Com 1H	
C:	Combustor
C1:	Compressor
F:	Flare
HT:	Heater Treater
<del>M1:</del>	<del>Production Gas Meter</del>
M2:	Flare Meter
M3:	Injection Meter
M4:	VRU Meter
M5:	Compressor Suction Meter
M6:	Buyback Meter
OT:	Oil Truck Load
S:	Separator
S1:	Flare Scrubber
S2:	Gas Scrubber
S3:	Combustor Scrubber
W:	Wellhead
WT:	Water Truck Load



30-025-43401

30-025-43408

30-025-42999

30-025-43385

30-025-43414

30-025-08494

30-025-28235

30-025-28641

30-025-30179

30-025-44368

30-025-44373 30-025-44928 30-025-44930

30-025-44867 30-025-44870

30-025-44927 30-025-44929

30-025-28488

30-025-29917

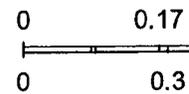
30-025-28337

30-025-28321

- Large Scale

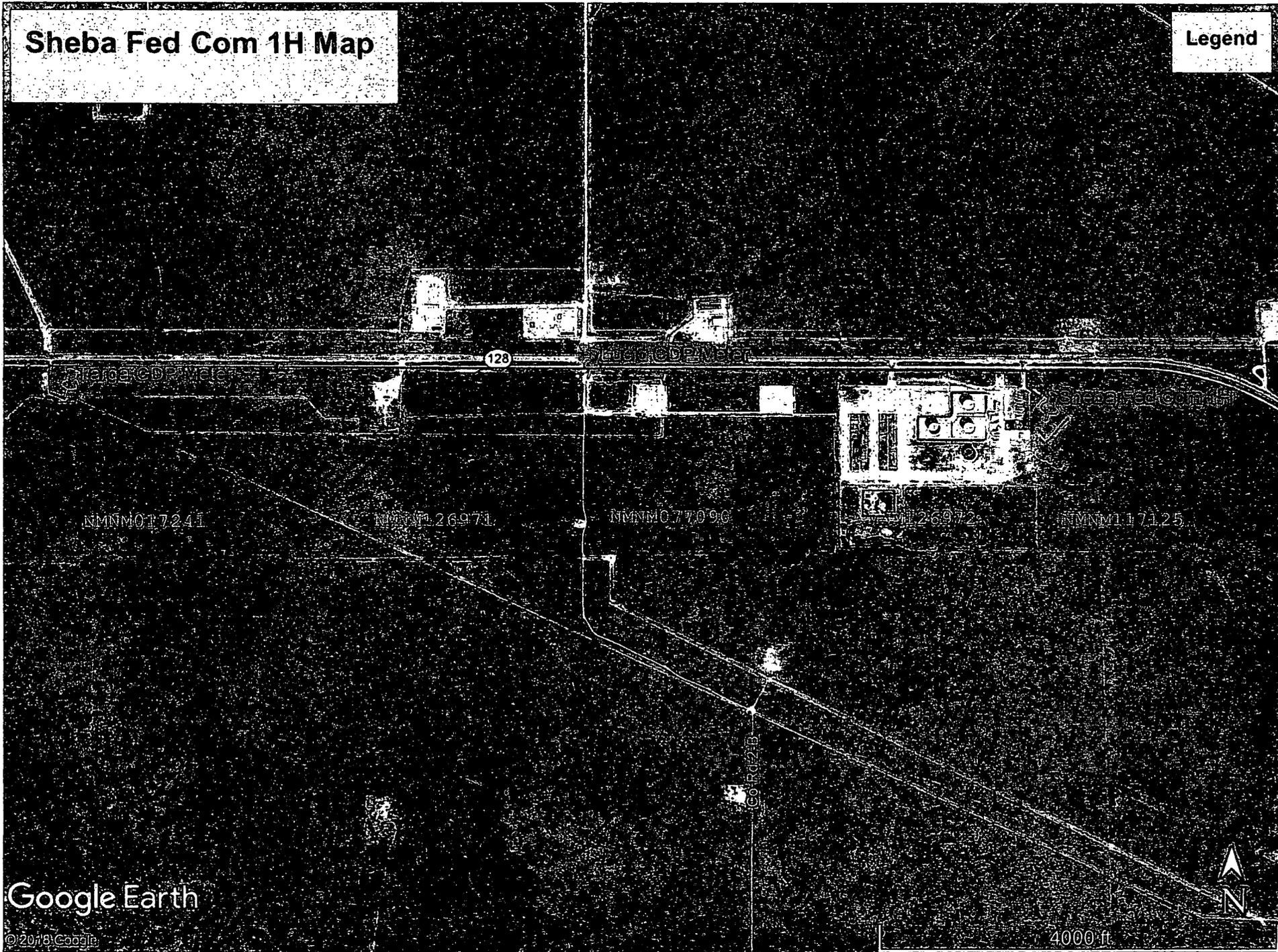
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iva



# Sheba Fed Com 1H Map

Legend



Google Earth

© 2018 Google

4000 ft

016

015

017

NMNM 113418

NMNM 113418

Sheba Fed  
Com 1H

Targa CDP  
Meter # 161001069

Lucid CDP  
Meter # 14432

NMNM 117125

NMNM 126971

NMNM 077090

NMNM 126972

~~NMNM 117125~~  
LEASE

021

022

020

NMNM 017241

NMNM 117125

NMNM 117125

NMNM 117125

NMNM  
028881

NMNM 019452

NMNM 016139

029

NMNM 016139

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NMNM 113418

NMNM 113418

★  
Targa CDP  
Meter # 161001069

★  
Lucid CDP  
Meter # 14432

Sheba Fed.  
Com 1H

NMNM 126971

NMNM 077090

NMNM 126972

NMNM 117125

020

NMNM 017241

021

~~NMNM 117125~~  
NMNM 117125

022

NMNM 137411

NMNM 138289

CA

NMNM  
028881

NMNM 117125

NMNM 117125

NMNM 117125

029

NMNM 016139

NMNM 019452

NMNM 072407

028

027

NMNM

NMNM 113418

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Sheba Fed  
Com 1H

Targa CDP  
Meter # 161001069

Lucid CDP  
Meter # 14432

NMNM 126971

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Targa CDP  
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NMNM 138289

NMNM  
028881

NMNM 117125

NMNM 117125

NMNM 117125

NMNM 019452

NMNM 072407

NMNM 016139

NMNM 016139

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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

<b>Applicant:</b> Centennial Resource Production, LLC	<b>OGRID Number:</b> 372165
<b>Well Name:</b> Sheba Federal Com 1H	<b>API:</b> 30-025-43358
<b>Pool:</b> Antelope Ridge; Wolfcamp	<b>Pool Code:</b> 2220

**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 holders  
 B.  Royalty, overriding royalty owners, revenue owners *w/owner only*  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.**

Kanicia Castillo

Print or Type Name

*Kic*

Signature

10/23/18  
Date

720-499-1537  
Phone Number

kanicia.castillo@cdevinc.com  
e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Centennial Resource Production, LLC  
OPERATOR ADDRESS: 1001 17th Street, Suite 1800, Denver, CO 80202  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE: K.C. TITLE: Sr. Regulatory Analyst DATE: 10/23/18  
TYPE OR PRINT NAME Kanicia Castillo TELEPHONE NO.: 720-499-1537  
E-MAIL ADDRESS: kanicia.castillo@cdevinc.com



October 23, 2018

Aquinnah Resources, LLC  
Attn: Bob Landreth  
110 W. Louisiana St. Suite 404  
Midland, TX 79701

Certified Mail Article Number: 7007 1490 0005 0460 1787

RE: Application for Off Lease Measurement of Gas:

Sheba Federal Com 1H  
API# 30-025-443358  
Sec 22, T24S, R24E, Unit A  
620' FNL & 535' FEL  
Antelope Ridge; Wolfcamp  
Lea County, New Mexico

Bob Landreth,

This letter will serve as notice that Centennial Resource Production, LLC has applied for a permit from the Oil Conservation Division in Santa Fe, NM for Off Lease Measurement of Gas. Please see attached application.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. If the Oil Conservation Division determines the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, the telephone number is 505-476-3200.

Sincerely,

Kanicia Castillo  
Sr. Regulatory Analyst

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- 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:

**Aquinnah Resources, LLC  
Attn: Bob Landreth  
110 W. Louisiana Street, Suite 404  
Midland, TX 79701**



9590 9402 2085 6132 4721 07

2. Article Number (Transfer from service label)

**7007 1490 0005 0460 1787**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee

**X**

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below.

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Insured Mail
  - Insured Mail Restricted Delivery (over \$500)
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

**CERTIFIED MAIL**



7007 1490 0005 0460 1787

7007 1490 0005 0460 1787



1001 17th Street  
Suite 1800  
Denver, CO 80202

PS Form 3800, Aug 2014

Sent To: **Aquinnah Resources, LLC**  
Street, Apt. No., or PO Box No.: **Attn: Bob Landreth**  
City, State, ZIP+4: **110 W. Louisiana Street, Midland, TX 79701**

Return Receipt Fee (endorsement required)	
Restricted Delivery Fee (endorsement required)	
Certified Fee	
Postage	\$
Total Postage & Fees	\$

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
Domestic Mail Only. No insurance coverage.

OFFICIAL U

For delivery information visit our website at www.usps.com

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**Off-Lease/CA Measurement and Sales of Gas Production  
Conditions of Approval  
November 27, 2018  
Centennial Resources Production  
Sheba Federal Com 1H  
3002543358  
Lease 117125 and CA NMNM136574**

**Approval of off-lease/CA measurement is subject to the following conditions of approval:**

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented/flared without proper measurement and prior approval. Any gas vented must be flared.
3. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.  
DC 33 = Flared gas – royalty due  
DC 63 = Vented gas – royalty due
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments and/or product accountability.
5. This approval is subject to like approval by the New Mexico Oil Conservation Division.
6. Additional wells require additional approvals.
7. This approval does not constitute right-of-way approval for any off-lease/Unit activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
8. Approval for off-lease/CA from various sources is a privilege which is granted to lessees/operators for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.