State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary **Dylan M. Fuge, Acting Director** Oil Conservation Division



Ms. Paula M. Vance pmvance@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL - 8568

XTO Energy, Inc. [OGRID 5380] Corral 16 4 State Federal Com Well No. 103H API No. 30-025-50089

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	898 FSL & 2013 FWL	N	16	25S	29E	Eddy
First Take Point	330 FSL & 2590 FEL	O	16	25S	29E	Eddy
Last Take Point	100 FNL & 2590 FEL	B/2	04	25S	29E	Eddy
Terminus	50 FNL & 2590 FEL	B/2	04	25S	29E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
E/2 of Section 16	960	Willow Lake; Bone Spring, Southeast	97955
E/2 of Section 09			
E/2 of Section 04			

Reference is made to your application received on April 17th, 2023.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent.

This well's completed interval is as close as 50 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 16, encroachment to the W/2 Section 09, encroachment to the W/2 Section 04, encroachment to the W/2

Administrative Order NSL - 8568 XTO Energy, Inc. Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location in order to achieve a productive spacing well plan for this location and to prevent waste within the Bone Spring formation underlying the E/2 of Section 16, the E/2 of Section 09 and the E/2 of Section 04.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Date: 5/12/2023

DYLAN M. FUGE DIRECTOR (ACTING)

DMF/lrl

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 219718

CONDITIONS

Operator:	OGRID:
XTO ENERGY, INC	5380
6401 Holiday Hill Road	Action Number:
Midland, TX 79707	219718
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	5/23/2023