

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Dylan M. Fuge
Deputy Secretary (Acting)

Dylan M. Fuge, Director
Oil Conservation Division



Ms. Paula M. Vance
PMVance@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL - 8651

**WPX Energy Permian, LLC [OGRID 246289]
Steel Guitar 35 26 Federal Com Well No. 422H
API No. 30-015-49851**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	430 FNL & 1867 FWL	C	26	26S	29E	Eddy
First Take Point	100 FNL & 900 FWL	D	26	26S	29E	Eddy
Last Take Point	1754 FNL & 900 FWL	09	35	26S	29E	Eddy
Terminus	1804 FNL & 900 FWL	09	35	26S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 26	431.99	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 35 (<i>irregular</i>)			

Reference is made to your application received on September 28th, 2023.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool. Rule 2 governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(6) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

Administrative Order NSL – 8651
WPX Energy Permian, LLC
Page 2 of 2

This well's completed interval is as close as 100 feet to the northern and 100 feet to the southern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 23, encroachment to the SW/4
Section 19, encroachment to the Texas state line

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

The Division understands you are seeking this unorthodox location to allow for the ultimate recovery of resources and thereby preventing waste of natural resources within the Wolfcamp formation underlying the W/2 of Section 26 and the W/2 of Section 35.

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 Subsection B of 19.15.15.13 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.



DYLAN M. FUGE
DIRECTOR
DMF/lrl

Date: 10/27/23

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 281178

CONDITIONS

Operator: WPX Energy Permian, LLC Devon Energy - Regulatory Oklahoma City, OK 73102	OGRID: 246289
	Action Number: 281178
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/30/2023