

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
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Oil Conservation Division (Acting)



Ms. Paula M. Vance
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8685

**XTO Energy Inc. [OGRID 5380]
Corral 17 5 Federal Well No. 802H
API No. 30-015-PENDING**

Reference is made to your application received on November 9th, 2023.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	344 FSL & 2175 FWL	N	17	25S	29E	Eddy
First Take Point	100 FSL & 2345 FWL	N	17	25S	29E	Eddy
Last Take Point	100 FNL & 2345 FWL	03	05	25S	29E	Eddy
Terminus	50 FNL & 2345 FWL	03	05	25S	29E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 Section 17	958.97	Willow Lake; Bone Spring, Southeast	96217
W/2 Section 08			
W/2 Section 05			

You have requested to drill this horizontal well at an unorthodox 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. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an **oil** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

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XTO Energy Inc.

Page 2 of 2

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) 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.

This well's completed interval is as close as 295 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 17, encroachment to the W/2 E/2

Section 08, encroachment to the W/2 E/2

Section 05, encroachment to the W/2 E/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 to avoid causing wasted resources and reducing the production of the wells to be drilled in each of the spacing units within the Bone Spring formation underlying W/2 of Section 17, W/2 of Section 08 and the W/2 Section 05.

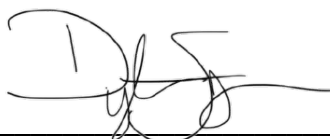
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 12/21/23

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 297990

CONDITIONS

Operator: XTO ENERGY, INC 6401 Holiday Hill Road Midland, TX 79707	OGRID: 5380
	Action Number: 297990
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/27/2023