

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

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Dylan Fuge, Division Director (Acting)
Oil Conservation Division



Ms. Adrian Covarrubias
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8750

Marathon Oil Permian, LLC [OGRID 372098]
Hefeweizen State Com Well No. 301H
API No. 30-025-52328

Reference is made to your application received on April 17th, 2024.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	247 FNL & 1303 FEL	A	30	19S	35E	Lea
First Take Point	100 FNL & 1535 FEL	B	30	19S	35E	Lea
Last Take Point/ Terminus	103 FSL & 1634 FEL	O	31	19S	35E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 E/2 Section 30	320	Wildcat; Bone Spring	97983
W/2 E/2 Section 31			

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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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 Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 215 - 314 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 30, encroachment to the E/2 E/2

Section 31, encroachment to the E/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 as your preferred set back which will maximize recovery, therefore preventing waste within the Bonespring formation underlying the W/2 E/2 Section 30 and the W/2 E/2 of Section 31.

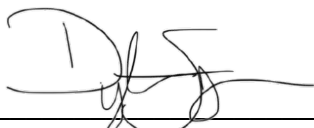
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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: 5/16/24

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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 345727

CONDITIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 345727
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/20/2024