# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Melanie Kenderdine Cabinet Secretary

**Dylan M. Fuge** Deputy Secretary **Dylan Fuge**, Division Director (Acting) **Oil Conservation Division** 



Ms. Lisa Youngblood

lisa youngblood@eogresources.com

### ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8752

EOG Resources, Inc. [OGRID 7377] Bandit 29 State Com Well No. 401H API No. 30-025-52182

Reference is made to your application received on April 23<sup>rd</sup>, 2024.

### **Proposed Location**

|                  | <b>Footages</b>     | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|---------------------|----------|------|------|-------|--------|
| Surface          | 541 FNL & 474 FEL   | A        | 29   | 24S  | 33E   | Lea    |
| First Take Point | 100 FNL & 1420 FEL  | В        | 29   | 24S  | 33E   | Lea    |
| Last Take Point/ | 2539 FNL & 1420 FEL | G        | 32   | 24S  | 33E   | Lea    |
| Terminus         |                     |          |      |      |       |        |

## **Proposed Horizontal Units**

| Description         | Acres | Pool                           | Pool Code |
|---------------------|-------|--------------------------------|-----------|
| W/2 E/2 Section 29  | 240   | Triste Draw; Bone Spring, East | 96682     |
| W/2 NE/A Section 32 |       |                                |           |

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 100 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 29, encroachment to the E/2 E/2 Section 32, encroachment to the E/2 NE/4

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 maintain optimal spacing to continue development of resources and to prevent waste within the Bone Spring formation underlying the W/2 E/2 of Section 29 and the W/2 NE/4 of Section 32.

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: 5/22/24

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 348514

#### **CONDITIONS**

| Operator:            | OGRID:   |
|----------------------|--|
| EOG RESOURCES INC    | 7377   |
| 5509 Champions Drive | Action Number:                                 |
| Midland, TX 79706    | 348514   |
|                      | Action Type:                                   |
|                      | [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

#### CONDITIONS

| Created<br>By |      | Condition<br>Date |
|---------------|------|-------------------|
| llowe         | None | 5/28/2024         |