

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



March 26, 2018

Administrative Order NSL-7661

NON-STANDARD LOCATION AND NON-STANDARD PROJECT AREA

C/o Chris Jeffus, Land Manager
Logos Operating, LLC (OGRID 289408)

Proposed Well:

Heros 2308 9L Com 32 Well No. 3H (API No. 30-045-35848)

Non-Standard Location

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1476` FSL & 270` FWL	L	9	23N	8W	San Juan
Penetration Point	1558` FSL & 935` FWL	L	9	23N	8W	San Juan
Final perforation	330` FSL & 330` FEL	P	9	23N	8W	San Juan
Terminus	315` FSL & 282` FEL	P	9	23N	8W	San Juan

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 SE/4 of Section 9 E/2 SW/4 and NW/2 SW/4	200	Nageezi Gallup	47540

Reference is made to your application received on February 15, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval may be closer than 330 feet distance and therefore may cause an encroachment toward the following tract:

Section 9, encroachment to the SW/4 SW/4 and NW/4 SE/4

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

It is our understanding that the Applicant is seeking this location to out of abundance of caution and would expect the proposed well to be completed within 330 feet of outer boundary of the project area.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

These approvals are subject to the operator following all other applicable Division rules. Jurisdiction is retained for the entry of such further orders as the Division may deem necessary.

The proposed project area is non-standard; however, the operator has given notice to the operator of SW/4 SW/4 of Section 9, pursuant to Division Rule 19.15.16 15.(E). However, the Applicant is the operator of that Unit; therefore, no notification is required



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division – Aztec District Office
Bureau of Land Management – Farmington Field Office