



Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



April 1, 2019

Ms. Katy Reddell
KREDDELL@BTAOIL.COM

NON-STANDARD LOCATION

Administrative Order NSL-7867

BTA OIL PRODUCERS, LLC [OGRID 260297]
Pardue C 8808 JVP Well No.005
API No. 30-015-45449

Proposed Location; Deviated Well

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1520 FSL & 330 FWL	L	11	23S	28E	Eddy
Terminus	1141.5 FSL & 365 FWL	M	11	23S	28E	Eddy

Proposed Oil Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SW4 SW4 of Section 11	40	Loving; Cherry Canyon	40300

Reference is made to your application received on March 15, 2019.

You have requested to drill this directional well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by Division Rule 19.15.15.10.B (1) NMAC, which provides for 40-acre units, with wells to be located at least 330 feet from outer boundary of the quarter section on which the well is located.

This well's completed interval is as close as 200 feet to the southern edge and 179 feet to the northern edge of the spacing unit. Encroachments will impact the following tract.

Section 22, encroachment to the SW4 SW4 and NW4 SW4

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. However, the applicant is the operator within the encroaching area notice is not required.

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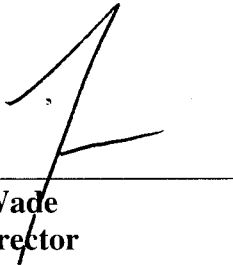
The Division understands you request this unorthodox approval due recompleting this well in the Cherry Canyon formation requiring different set backs underlying the spacing unit within the SW4 SW4 of Section 11.

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

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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.



A handwritten signature in black ink, appearing to read 'Gabriel Wade', is written over a horizontal line.

Gabriel Wade
Acting Director

GW/lrl

cc: Oil Conservation Division – Artesia District Office