

Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



April 15, 2021

Ms. Kaitlyn A. Luck
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NON-STANDARD LOCATION

Administrative Order NSL-8162

**EOG Resources, Inc. [OGRID 7377]
Driver 14 Federal Com Well No. 503H
API No. 30-025-PENDING**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	979 FSL & 2464 FWL	N	11	23S	33E	Lea
First Take Point	100 FSL & 1950 FWL	N	11	23S	33E	Lea
Last Take Point/ Terminus	100 FNL & 1335 FWL	C	14	23S	33E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 & W/2 E/2 of Section 14	640	Bell Lake; Bone Spring,	5150
E/2 W/2 & W/2 E/2 of Section 11		North	

Reference is made to your application received on March 25, 2021.

You have requested to drill this horizontal well at an unorthodox oil 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.

This well's completed interval is as close as 15 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 11, encroachment to the W/2 W/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 well spacing for horizontal wells in this area. Therefore, preventing waste within the Bone Spring formation underlying E/2 W/2, the W/2 E/2 of Section 14 and the E/2 W/2, W/2 E/2 of Section 11.

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.**

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
State Land Office – Oil, Gas, and Minerals Division