

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



August 18th, 2021

Ms. Kaitlyn A. Luck
kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8194

EOG Resources, INC. [7377]
Audacious 19 Federal Com Well No. 506H
API No. 30-025-48987

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2624 FSL & 2199 FEL	J	19	25S	33E	Lea
First Take Point	2539 FSL & 2382 FEL	J	19	25S	33E	Lea
Last Take Point/ Terminus	100 FSL & 2382 FEL	O	30	25S	33E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 of Section 19 E/2 of Section 30	480	Wildcat; Lower Bone Spring	97903

Reference is made to your application received on July 26th, 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 oil 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 288 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 19, encroachment to the E/2 SW/4
Section 30, encroachment to the E/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 location in order to maximize recovery of reserves within the Lower Bone Spring formation underlying the SE/4 of Section 19 and the E/2 of Section 30.

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

From: [Lowe, Leonard, EMNRD](#)
To: [Kaitlyn A. Luck](#)
Cc: [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); ["lisa@rwbyram.com"](#); [jglover@blm.gov](#); [jkillins@blm.gov](#); [Kate Pickford \(Katherine.Pickford@state.nm.us\)](#)
Subject: APPROVED NSL-8194_EOG Resources, INC._Audacious 19 Federal Com Well No. 506H_SEC 19 25S 33E
Date: Friday, August 27, 2021 8:39:00 AM
Attachments: [NSL-8194 EOG Resources, INC Audacious 19 Federal Com Well No. 506H APPROVED.pdf](#)
Importance: High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Order has been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

ORDER: NSL - 8194
OPERATOR: EOG Resources, INC [7377]
WELL: Audacious 19 Federal Com Well No. 506H
POOL: Wildcat; Lower Bone Spring Pool [97903]

A copy of the approved order is attached.

Leonard R. Lowe

Engineering Bureau

OCD - EMNRD

5200 Oakland Ave

Albuquerque, N.M. 87113

C: 505-930-6717

<http://www.emnrd.state.nm.us/ocd/>