

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



October 25th, 2021

Mr. Brian Woods
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NON-STANDARD LOCATION

Administrative Order NSL-8238

**Advance Energy Partners Hat Mesa, LLC [OGRID 372417]
Anderson Federal Com Well No. 553H
API No. 30-025-48997**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	180 FNL & 2188 FWL	C/3	2	21S	32E	Lea
First Take Point	100 FSL & 1254 FWL	M	35	21S	32E	Lea
Last Take Point/ Terminus	2540 FSL & 1254 FWL	L	26	21S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of section 35	240	Red Tank; Bone Spring	51683
W/2 SW/4 of section 26			

Reference is made to your application received on October 1st, 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 264 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 35, encroachment to the E/2 W/2
Section 26, encroachment to the E/2 SW/4

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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 in order to prevent waste within the Bone Spring formation underlying W/2 W/2 of Section 35 and the W/2 SW/4 of Section 26. Thereby maximizing recovery and preventing waste.

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: Bureau of Land Management – Carlsbad Field Office