

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



November 16th, 2021

Mr. Brian Wood,
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NON-STANDARD LOCATION

Administrative Order NSL-8248

**Advance Energy Partners Hat Mesa, LLC [OGRID 372417]
Anderson Federal Com Well No. 702H
API No. 30-025-PENDING**

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------------------|---------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 180 FNL & 2155 FWL | C/3 | 2 | 22S | 32E | Lea |
| First Take Point | 100 FSL & 1254 FWL | M | 35 | 21S | 32E | Lea |
| Last Take Point/ Terminus | 2540 FSL & 1254 FWL | N | 26 | 21S | 32E | Lea |

Proposed Horizontal Units

| Description | Acres | Pool | Pool Code |
|---|--------------|-------------------|------------------|
| W/2 W/2 of Section 35 W/2 SW/4 of Section 26 | 240 | Wildcat; Wolfcamp | 98033 |

Reference is made to your application received on October 25th, 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 66 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

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 in order to responsibly develop the land and prevent waste within the Wolfcamp formation underlying W/2 W/2 of section 35 and the W/2 SW/4 of section 26.

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