

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



January 19, 2022

Ms. Leslie Reeves,
LESLIE_REEVES@OXY.COM

NON-STANDARD LOCATION

Administrative Order NSL-8271

**OXY USA INC. [OGRID 16696]
Corral Gorge 12 13 Federal Com Well No. 36H
API No. 30-015-47206**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	230 FSL & 2610 FEL	O	1	25S	29E	Eddy
First Take Point	100 FNL & 2160 FEL	B	12	25S	29E	Eddy
Last Take Point	100 FSL & 2160 FEL	O	13	25S	29E	Eddy
Terminus	20 FSL & 2160 FEL	O	13	25S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of section 12	640	Purple Sage; Wolfcamp (GAS)	98220
E/2 of section 13			

Reference is made to your application received on November 23, 2021.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern and southern edge. Encroachment will impact the following tract.

Section 1, encroachment to the SE/4
Section 24, encroachment to the NE/4

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.

Division understands you are seeking this unorthodox location to allow for efficient spacing of wells and thereby preventing waste within the Wolfcamp formation underlying the E/2 of section 12 and the E/2 of section 13.

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 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: State Land Office - Oil, Gas and Mineral Division
Bureau of Land Management – Carlsbad Field Office