Adrienne E. Sandoval, Director

Oil Conservation Division

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Ms. Deana M. Bennett deana.bennett@modrall.com

NON-STANDARD LOCATION

Administrative Order NSL - 8501

Cimarex Energy Co. [OGRID 215099] Scoter 6 31 Federal Com Well No. 15H API No. 30-015-PENDING

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	470 FSL & 1150 FWL	7	6	25S	27E	Eddy
First Take Point	100 FSL & 1336 FWL	7	6	25S	27E	Eddy
Last Take Point/	100 FNL & 1336 FWL	, 1	31	24S	27E	Eddy
Terminus						-

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W/2 Section 6, 25S, 27E	614.91	Purple Sage; Wolfcamp (GAS)	98220
W/2 Section 31, 24S, 27E			

Reference is made to your application received on December 2nd, 2022.

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 southern edge and 100 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tract.

Section 7, encroachment to the NW/4 Section 30, encroachment to the SW/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 achieve the greatest recovery of reserves and thereby preventing waste within the Wolfcamp formation underlying the W/2 of Section 6, T25S, R27E and the W/2 of Section 30, T24S, 27E.

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.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.

Division Director

Date: <u>12/29/2022</u>

AES/lrl