

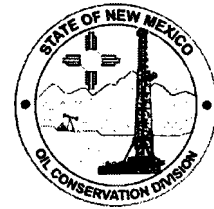
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 17, 2017

Logos Operating, LLC
Attn: Mr. Chris Jeffus

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7531

Logos Operating, LLC
OGRID 289408
Escrito D14 2407 Com. Well No. 01H
API No. 30-039-31231

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	471' FNL & 564' FWL	D	14	24N	7W	Rio Arriba
Penetration Point	330' FNL & 330' FEL	A	15	24N	7W	Rio Arriba
Final perforation	330' FNL & 2310' FEL	B	16	24N	7W	Rio Arriba
Terminus	378' FNL & 2340' FEL	B	16	24N	7W	Rio Arriba

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 of Section 15	320	Escrito Gallup (Associated)	22619
NE/4 of Section 16	160		

Reference is made to your application received on April 21, 2017.

You have requested approval of an unorthodox oil well location described above in the referenced pool or formation. This location is governed by the Special Rules for the Escrito Gallup (Associated) Pool, which provide for 80-acre units with wells to be located at least 790 feet from outer unit boundaries, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This surface location is outside the project area, and is permitted by Rule 19.15.16.15.B (4) NMAC which allows for surface locations outside project area. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries

It is our understanding that Logos Operating, LLC is seeking this location because the generally accepted industry practice in the Escrito Gallup (Associated) Pool and other Gallup pools is to develop the project area within 330 feet of the outer boundaries. Further, Logos Operating, LLC is planning to develop the S/2 N/2 of Section 15 and the S/2 NE/4 of Section 16 with the Escrito D14 2407 Com Well No. 2H.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Aztec District Office
Bureau of Land Management – Farmington Field Office