

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



January 12, 2018

NON-STANDARD LOCATION

**Administrative Order NSL-7623**

Attn: Ms. Toya Colvin  
BP America Production Company OGRID 778  
Northeast Blanco Unit 605 Com Well No. 2H  
API No. 30-045-35857

**Proposed Location:**

|                   | <u>Footages</u>      | <u>Unit</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|-------------------|----------------------|-------------|-------------|-------------|--------------|---------------|
| Surface           | 458` FSL & 796` FEL  | P           | 11          | 31N         | 7W           | San Juan      |
| Penetration Point | 2189` FSL & 817` FEL | I           | 11          | 31N         | 7W           | San Juan      |
| Final perforation | 2119` FSL & 250` FEL | I           | 7           | 31N         | 6W           | San Juan      |
| Terminus          | 2118` FSL & 50` FEL  | I           | 7           | 31N         | 6W           | San Juan      |

**Proposed Project Area:**

| <u>Description</u>           | <u>Acres</u> | <u>Pool</u>            | <u>Pool Code</u> |
|------------------------------|--------------|------------------------|------------------|
| S/2 of Section 11, T31N, R7W | 320          | Basin Mancos, Gas Pool | 97232            |
| S/2 of Section 12, T31N, R7W | 320          |                        |                  |
| S/2 of Section 7, T31N, R6W  | 320          |                        |                  |

Reference is made to your application received on December 22, 2017.

You have requested to drill and produce this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by the Special Rules for the Basin Mancos Gas Pool, which provide for 320-acre units with wells to be located at least 660 feet from outer unit boundaries.

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.

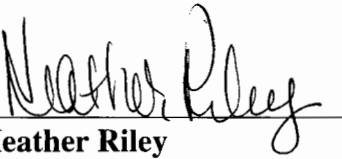
It is our understanding that the applicant is seeking this location to avoid existing vertical well surface locations and to allow for conservative and consistent spacing between future planned wells.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

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 following 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.

  
**Heather Riley**  
**Director**

HR/lrl

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