

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



March 12, 2018

Adam G. Rankin
EOG Resources, Inc.
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NON-STANDARD LOCATION

Administrative Order NSL-7622-A

EOG Resources, Inc. [OGRID 7377]
Dogwood 23 Federal Com Well No. 703H
API No. 30-025-44075

Non-Standard Location

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	200' FSL & 1595' FEL	O	23	26S	33E	Lea
Penetration Point	330' FSL & 1356' FEL	O	23	26S	33E	Lea
Final perforation	330' FNL & 1356' FEL	B	14	26S	33E	Lea
Terminus	230' FNL & 1356' FEL	B	14	26S	33E	Lea

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 E/2 of Section 23	320	Sanders Tank; Upper Wolfcamp	98097
W/2 E/2 of Section 14			

Reference is made to your application received on February 15, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 26 feet from the eastern edge of the penetration point, 34 feet from the eastern edge of the final perforation, and less than 467 feet on the diagonal of both penetration points for the project area and therefore will cause an encroachment toward the following tracts:

Section 26, encroachment to the NE/4 NE/4
Section 23, encroachment to the E/2 E/2
Section 14, encroachment to the E/2 E/2
Section 11, encroachment to the SE/4 SE/4

It is understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

It is our understanding that the Applicant is seeking this location to pursue a preferred well spacing plan for horizontal wells and thereby preventing waste from the Wolfcamp formation underlying the E/2 E/2 of Section 23 and the E/2 E/2 of Section 14.

This Order supersedes Administrative Order NSL – 7622, issued on December 19, 2017. The amended administrative order is a result of a deviation in the planned well path.

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 following all other applicable Division rules.

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 – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office