

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



April 3, 2018

Gary R. Cooper  
Murchison Oil and Gas Inc.  
rcooper@jdmii.com

NON-STANDARD LOCATION

**Administrative Order NSL-7653**

**Murchison Oil and Gas Inc. [OGRID 15363]**  
**Panda Bear State Com Well No. 001**  
**API No. 30-015-33436**

**Subject Well Surface Location (Vertical Well)**

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
1280 FNL & 1123 FWL	D/ Lot 4	2	17S	28E	Eddy

**Proposed Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 4 of Section 2 (NW/4 NW/4 equivalent)	39.22	Anderson; Wolfcamp, North	97183

Reference is made to your application received on March 6, 2018.

You have requested to drill this vertical well at an unorthodox oil well location described above in the referenced pool or formation. Subsection A of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox as it is too close to the southern boundary of the unit.

This subject well's completed interval is as close as 40 feet from the southern edge, and therefore will cause an encroachment toward the following tracts.

Section 2, T17S, R28E, encroachment to the SE/4 NW/4, SW/4 NW/4, and NE/4 NW/4

Normally, you must give notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches. However, ownership is identical in the proposed spacing unit and the affected tract. Therefore, no notice is required.


OCD understands that you seek this location to recomplete the subject well to the Wolfcamp formation, and to prevent waste.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Pursuant to Subsection B of 19.15.15.13 NMAC, OCD approves the above-described unorthodox location.

The above approvals are subject to your following all other applicable OCD rules.

Jurisdiction of this case is retained for the entry of further orders as OCD deems necessary.

  
**HEATHER RILEY**  
**Director**

HR/mam/rbb

cc: Oil Conservation Division – Artesia District Office  
New Mexico State Land Office – Oil, Gas, and Minerals