

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 12, 2018

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NON-STANDARD LOCATION

**Administrative Order NSL-7680**

**Percussion Petroleum Operating, LLC (OGRID 371755)**  
**Huber Federal Well No. 007H**  
**API No. 30-015-44706**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	558 FSL & 1186 FEL	P	34	19S	25E	Eddy
Penetration Point	330 FNL & 1280 FEL	A/1	3	20S	25E	Eddy
Final perforation	330 FSL & 1304 FEL	P	3	20S	25E	Eddy
Terminus	20 FSL & 1304 FEL	P	3	20S	25E	Eddy

**Proposed Project Area**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of Section 3	160.54	N. Seven Rivers; Glorieta-Yeso	97565

Reference your application received March 9, 2018.

You have requested to drill this horizontal 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 because it's too close to the western boundary.

This well's completed interval is as close as 60 feet to the western edge, 335 feet to the northwest (diagonal), as close as 16 feet to the west, and 331 feet to the southwest (diagonal) of the project area. Encroachments will impact the following tracts.

Section 34, T19S R25E encroachment to the SW4SE4  
Section 3, T20S R25E encroachment to the W2E2  
Section 10, T20S R25E encroachment to the NW4NE4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," per Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you seek this location as their preferred well spacing, thereby preventing waste from the Glorieta-Yeso formation underlying the E2E2 of Section 3.

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

Per Subsection B of 19.15.15.13 NMAC, the Division approves this unorthodox location.

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

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

  
**HEATHER RILEY**  
**Director**

HR/mam/rbb

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management - Carlsbad