

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
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Oil Conservation Division



April 26, 2018

Adam G. Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7695

**EOG Resources [OGRID 7377]
Bandit 29 State Com Well No. 504Y
API No. 30-025-44626**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	410 FNL & 2211 FEL	B	29	24S	33E	Lea
Penetration Point	330 FNL & 2594 FEL	B	29	24S	33E	Lea
Final perforation	2309 FNL & 2589 FEL	G	32	24S	33E	Lea
Terminus	2409 FNL & 2588 FEL	G	32	24S	33E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 E2 of Section 29	240	Triste Draw; Bone Spring, East	96682
W2 NE4 of Section 32			

Reference is made to your application received on April 5, 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 well's completed interval is as close as 333 feet to the northwestern edge, 46-51 feet to the western edge and 335 feet to the southwestern edge of the project area. Encroachments will impact the following tracts.

Section 20, T24S R33E encroachment to the SE4 SW4
Section 29, T24S R33E encroachment to the E2 W2
Section 32, T24S R33E encroachment to the E2 NW4 and NE4 SW4

Division understands you have given 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.

Division understands you seek this location as a desired well spacing of seven wells to produce an equitable share of production needed from the Bone Spring formation underlying the W2 E2 of Section 29 and the W2 NE4 of Section 32.

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, Division approves this unorthodox location.

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

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



HEATHER RILEY
Director

HR/lrl

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division