

State of New Mexico
Energy, Minerals and Natural Resources Department

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Heather Riley, Division Director
Oil Conservation Division



April 26, 2018

Adam G. Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7700

**Percussion Petroleum Operating, LLC [OGRID 371755]
South Boyd Federal Com Well No. 17H
API No. 30-015-44884**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	584 FNL & 1244 FEL	A	34	19S	25E	Eddy
Penetration Point	330 FSL & 1278 FEL	P	27	19S	25E	Eddy
Final perforation	100 FNL & 1278 FEL	A	27	19S	25E	Eddy
Terminus	20 FNL & 1278 FEL	A	27	19S	25E	Eddy

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 E2 of Section 27	160	N. Seven Rivers; Glorieta-Yeso	97565

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 southwest edge, 42 feet to the western edge, 108 feet to the northwestern edge and 100 feet to the north of the project area. Encroachments will impact the following tracts.

Section 34, T19S R25E encroachment to the NW4 NE4
Section 27, T19S R25E encroachment to the W2 E2
Section 22, T19S R25E encroachment to the S2 SE4

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 to allow you to use this preferred well spacing plan for horizontal wells within the Glorieta-Yeso formation underlying the E2 E2 of Section 27.

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