

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



May 1, 2018

Adam G. Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7704

**EOG Resources [OGRID 7377]
Bandit 29 State Com Well No. 502H
API No. 30-025-44384**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	423 FNL & 734 FEL	A	29	24S	33E	Lea
Penetration Point	330 FNL & 1100 FEL	A	29	24S	33E	Lea
Final perforation	2309 FNL & 1100 FEL	H	32	24S	33E	Lea
Terminus	2409 FNL & 1100 FEL	H	32	24S	33E	Lea

Proposed Project Area

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

Reference is made to your application received on April 10, 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 397 feet to the northwestern/southwestern edge, and 220 feet to the western edge of the project area. Encroachments will impact the following tracts.

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

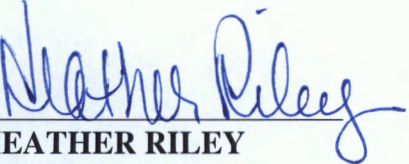
Division understands you seek this location as a desired well spacing of seven wells to produce an equitable share of production needed from the Bone Spring formation underlying the E2 E2 of Section 29 and the E2 NE4 of Section 32.

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