

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



May 15, 2018

Adam G. Rankin
agrankin@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-7714

**EOG Resources [OGRID 7377]
Convoy 28 State Com Well No. 602H
API No. 30-025-44261**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	538 FNL & 1215 FEL	A	28	24S	33E	Lea
Penetration Point	330 FNL & 1380 FEL	B	28	24S	33E	Lea
Final perforation	330 FSL & 1380 FEL	O	33	24S	33E	Lea
Terminus	230 FSL & 1380 FEL	O	33	24S	33E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 E2 of Section 28	240	Triste Draw; Bone Spring, East	96682
W2 E2 of Section 33			

Reference is made to your application received on April 24, 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 335 feet to the northeastern/southeastern edge, and 60 feet to the eastern edge of the project area. Encroachments will impact the following tracts.

Section 21, T24S R33E encroachment to the SE4 SE4
Section 28, T24S R33E encroachment to the E2 E2
Section 33, T24S R33E encroachment to the E2 E2
Section 4, T25S R33E encroachment to the NE4 NE4

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 preferred well spacing plan for horizontal wells and thereby preventing waste from the Bone Spring formation underlying the W2 E2 of Section 28 and the W2 E2 of Section 33.

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