

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 21, 2018

Adam G. Rankin  
[agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7718**

**Percussion Petroleum Operating, LLC [OGRID 371755]  
Morris Boyd 26 Fee Com Well No. 7H  
API No. 30-015-44879**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	550 FSL & 2630 FWL	N	23	19S	25E	Eddy
Penetration Point	100 FNL & 2396 FEL	B	26	19S	25E	Eddy
Final perforation	330 FSL & 2394 FEL	O	26	19S	25E	Eddy
Terminus	20 FSL & 2393.5 FEL	O	26	19S	25E	Eddy

**Proposed Project Area**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 E2 of Section 26	160	N. Seven Rivers; Glorieta-Yeso	97565

Reference is made to your application received on April 30, 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 100 feet to the northern edge, 264 feet to the northwestern edge, and 265 – 245 feet to the western edge of the project area. Encroachments will impact the following tracts.

Section 23, T19S R25E encroachment to the SW4 SE4 and the SE4 SW4

Section 26, T19S R25E encroachment to the E2 W2

Section 35, T19S R25E encroachment to the NE4 NW4

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.

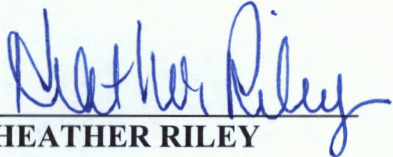
Division understands you seek this location to allow you to use this preferred well spacing plan for horizontal wells within the Glorieta-Yeso formation underlying the W2 E2 of Section 26.

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