

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
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David R. Catanach, Division Director
Oil Conservation Division



June 14, 2018

Adam G. Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7731

EOG Resources, Inc. [OGRID 7377]
Streetcar 15 Federal Well No. 605H
API No. 30-025-42861

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	250 FSL & 1400 FWL	N	15	25S	33E	Lea
Penetration Point	330 FSL & 1380 FWL	N	15	25S	33E	Lea
Final perforation	330 FNL & 1380 FWL	C	15	25S	33E	Lea
Terminus	230 FNL & 1380 FWL	C	15	25S	33E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 W2 of Section 15	160	Draper Mill; Bone Spring	96392

Reference is made to your application received on May 18, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection B 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 southwestern edge, 60 feet to the western edge and 335 feet to the northwestern edge. Encroachments will impact the following tracts.

Section 22, encroachment to the NW4 NW4
Section 15, encroachment to the W2 W2
Section 10, encroachment to the SW4 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 preferred well spacing for horizontal wells to maximize the recovery of oil and gas reserves underlying the project area located within Bone Spring formation underlying the E2 W2 of Section 15.

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
Bureau of Land Management – Carlsbad Field Office