

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



June 28, 2018

Adam G. Rankin
agrarkin@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-7738

**EOG Resources, Inc. [OGRID 7377]
Orrtanna 20 Federal Well No. 710H
API No. 30-025-44617**

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	557 FSL & 2409 FWL	O	20	26S	33E	Lea
Penetration Point	330 FSL & 1343 FWL	O	20	26S	33E	Lea
Final perforation	330 FNL & 1342 FWL	B	20	26S	33E	Lea
Terminus	230 FNL & 1342 FWL	B	20	26S	33E	Lea

Proposed Project Area

Description	Acres	Pool	Pool Code
W2 E2 of Section 20	160	Sanders Tanks; Upper Wolfcamp	98097

Reference is made to your application received on June 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 331 feet to the southeastern edge, 23 - 22 feet to the eastern edge and 331 feet to the northeastern edge. Encroachments will impact the following tracts.

Section 29, encroachment to the NE4 NE4
Section 20, encroachment to the E2 E2
Section 17, encroachment to the SE4 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 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 W2 E2 of Section 20.

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