

State of New Mexico
Energy, Minerals and Natural Resources Department

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Heather Riley, Division Director
Oil Conservation Division



August 6, 2018

Mr. Adam Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7746

Centennial Resource Production, LLC [OGRID 372165]
Juice Bud State Com Well No. 502H
API No. 30-025-44967

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	600 FSL & 1963 FWL	N	19	21S	34E	Lea
Penetration Point	350 FSL & 2310 FWL	N	19	21S	34E	Lea
Final perforation	2540 FSL & 2310 FWL	K	18	21S	34E	Lea
Terminus	2540 FSL & 2310 FWL	K	18	21S	34E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 W2 of Section 19	160	Wild Cat; Bone Spring	97962
E2 SW4 of Section 18			

Reference is made to your application received on June 22, 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 and 345 feet to the northeastern edge. Encroachment will impact the following tracts.

Section 18, encroachment to the SE4 NW4 and SW4 NE4

The 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.

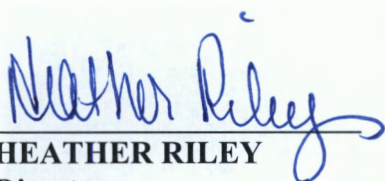
The Division understands you seek this location to efficiently develop the project area underlying the project area located within the Bone Spring formation underlying the E2 W2 of Section 19 and the E2 SW4 of Section 18.

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