



Approved

NSL

Order

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Cabinet Secretary

Gabriel Wade, Acting Director  
Oil Conservation Division



April 1, 2019

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

NON-STANDARD LOCATION

**Administrative Order NSL-7864**

**EOG Resources, INC. [OGRID 7377]  
Savage 2 State Com Well No. 503H  
API No. 30-025-45672**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	496 FNL & 1575 FWL	3	2	25S	32E	Lea
First Take Point	100 FNL & 1450 FWL	3	2	25S	32E	Lea
Last Take Point/ Terminus	100 FSL & 1450 FWL	N	2	25S	32E	Lea

**Proposed Horizontal Spacing Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 W2 of Section 2	160.19	Wildcat; Lower Bone Spring	97964

Reference is made to your application received on March 8, 2019.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 130 feet to the eastern edge. Encroachments will impact the following tracts.

Section 2, encroachment to the W2 W2

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.


Division understands you seek this location as your preferred well spacing for horizontal wells in the area thereby preventing waste of oil and gas reserves underlying the horizontal spacing unit located within the Bone Spring formation underlying the E2 W2 of Section 2.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 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.

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**Gabriel Wade**  
**Acting Director**

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cc: Oil Conservation Division – Hobbs District Office  
State Land Office – Oil, Gas, and Minerals Division