



Approved

NSL

Order

Approved: 08/01/19

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



August 1, 2019

Ms. Kaitlyn A. Luck
kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-7910

EOG Resources, INC [OGRID 7377]
Caravan 28 State Com Well No. 705H
API No. 30-025-45466

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	481 FNL & 328 FWL	D	28	24S	33E	Lea
First Take Point	100 FNL & 285 FWL	D	28	24S	33E	Lea
Last Take Point/ Terminus	117 FSL & 294 FWL	M	33	24S	33E	Lea

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 Section 28	320	Wildcat; Upper Wolfcamp	98092
W2 Section 33	320	Wildcat; Upper Wolfcamp	98092

Reference is made to your application received on July 11, 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 198 - 294 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 29, encroachment to the E2
Section 32, encroachment to the E2

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 unorthodox location to fit the spacing for other wells in the development plan of the entire section and thereby preventing waste within the Bone Spring formation underlying the W2 of Section 28 and Section 33.

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, August 5, 2019 4:08 PM
To: 'Kaitlyn A. Luck'
Cc: 'Reeves, Leslie T'; Kautz, Paul, EMNRD; 'jglover@blm.gov'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G, EMNRD; Murphy, Kathleen A, EMNRD; 'lisa@rwbyram.com'
Subject: APPROVED NSL-7910_EOG Resources, INC_Caravan 28 State Com Well No705H_SEC 28 24S 33E
Attachments: NSL-7910_ORDER.pdf

Importance: High

Ms. Kaitlyn Luck,

The following administrative order has been issued (*see attachment*) and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Applicant	OGRID	WELL NAME	API
EOG Resources, INC.	7377	Caravan 28 State Com Well No. 705H	30-025-45466

Leonard Lowe

Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
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