



Approved

NSL

Order

Approved: 08/06/19

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 6, 2019

Mr. Bruce A. Black
Koko16@earthlink.net

NON-STANDARD LOCATION

Administrative Order NSL-7918

Black Exploration, LLC [OGRID 371259]
Cerrito Negro Well No. 001
API No. 30-043-21327

Proposed Surface Location; Vertical Well

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
1104 FSL & 1604 FWL	N/G78	33	16N	2E	Sandoval

Proposed Oil Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 SW/4 Section 33	40	WC 16N2E33; Pennsylvanian	98320

Reference is made to your application received on July 31, 2019.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by stateside Subsection (A) of 19.15.15.9 NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 284 to the west and 216 feet to the northern edge of the spacing unit. Encroachment will impact the following tracts.

Section 33, encroachment to the SW/4 SW/4 and the NE/4 of SW/4

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. It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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Division understands you seek this unorthodox location in order to avoid cultural concerns in the area and thereby preventing waste within the Pennsylvanian formation underlying the SE/4 of the SW/4 of 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 – Aztec District Office
Bureau of Land Management – Farmington Field Office