

Approved

NSL

Order

Approved: 08/13/20

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 13, 2020

Ms. Dana Thompson
Dana.thompson@wpenergy.com

NON-STANDARD LOCATION

Administrative Order NSL-8060

**WPX Energy Permian, LLC [OGRID 246289]
Beagle 35 34 22 27 Fee Well No. 402H
API No. 30-015-47278**

Proposed Location

| | <u>Footages</u> | <u>Unit/Lot</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 1076 FSL & 638 FEL | P | 35 | 22S | 27E | Eddy |
| First Take Point | 709 FSL & 330 FEL | P | 35 | 22S | 27E | Eddy |
| Last Take Point | 709 FSL & 100 FWL | M | 34 | 22S | 27E | Eddy |
| Terminus | 709 FSL & 50 FWL | M | 34 | 22S | 27E | Eddy |

Proposed Horizontal Gas Units

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|--------------------|--------------|-----------------------------|------------------|
| S/2 of Section 35 | 640 | Purple Sage; Wolfcamp (GAS) | 98220 |
| S/2 of Section 33 | | | |

Reference is made to your application received on July 23, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-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 western edge. Encroachment will impact the following tract.

Section 33, encroachment to the SE/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.

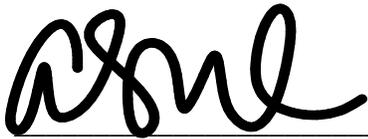
Division understands you are seeking this unorthodox location in order to maximize the lateral length of this well in order to minimize reserves left in the ground and thereby preventing waste within the Wolfcamp formation underlying the S/2 of Section 35 and the S/2 of Section 34.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) 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 – Artesia District Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, August 24, 2020 1:12 PM
To: 'Thompson, Dana'
Subject: APPROVED NSL-8060_WPX Energy Permian LLC_Beagle 35 34 22 27 Well No. 402H_SEC 34 22S 27E
Attachments: NSL-8060_ORDER.pdf

Importance: High

Ms. Dana Thompson,

The following NSL Administrative Order has been issued and will soon be available on the Division's web site:

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

| NSL | AMD | Applicant | OGRID | WELL NAME |
|-------------|------------|-------------------------|--------------|---|
| 8060 | - | WPX Energy Permian, LLC | 246289 | Beagle 35 34 22 27 Fee Well No. 402H |

A copy of this approved order is attached.

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
5200 Oakland Ave
Albuquerque, N.M. 87113
C: 505-930-6717

<http://www.emnrd.state.nm.us/ocd/>