

Approved

NSL

Order

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



February 5, 2021

Ms. Kaitlyn A. Luck
kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8123

**EOG Resources, INC. [OGRID 7377]
Fearless 26 Federal Com Well No. 724H
API No. 30-025-48350**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	444 FNL & 2,421FEL	B	26	25S	32E	Lea
First Take Point	100 FNL & 2,590 FEL	B	26	25S	32E	Lea
Last Take Point/ Terminus	100 FSL & 2,590 FEL	O	26	25S	32E	Lea

Proposed Horizontal Spacing Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 of Section 26	320	Wildcat; Upper Wolfcamp	98180

Reference is made to your application received on January 15, 2021.

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 50 feet to the western edge. Encroachments will impact the following tracts.

Section 26, encroachment to the W/2

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. All waivers were signed and received, accordingly the notice duration has ceased.

The 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 Wolfcamp formation underlying the E/2 of Section 26.

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: Tuesday, February 9, 2021 9:14 AM
To: Kaitlyn A. Luck
Cc: Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; jglover@blm.gov; drossmango@blm.gov
Subject: APPROVED NSL-8123_EOG Resources, Inc._Fearless 26 Federal Com Well No. 724H_SEC 26 25S 32E
Attachments: NSL-8123_Order.pdf

Importance: High

Ms. Kaitlyn A. Luck,

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>

Administrative Order NSL-8123

**EOG Resources, INC. [OGRID 7377]
Fearless 26 Federal Com Well No. 724H
API No. 30-025-48350**

A copy of the approved order is attached.

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
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