

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Mr. Adam G. Rankin  
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NON-STANDARD LOCATION

**Administrative Order NSL-8398**

**WPX Energy Permian, LLC [OGRID 246289]  
Steel Guitar 35 26 Federal Com Well No. 451H  
API No. 30-015-49377**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	423 FNL & 1797 FWL	C	26	26S	29E	Eddy
First Take Point	100 FNL & 330 FWL	D	26	26S	29E	Eddy
Last Take Point	100 FSL & 330 FWL	L/9	35	26S	29E	Eddy
Terminus	50 FSL & 330 FWL	L/9	35	26S	29E	Eddy

**Proposed Horizontal Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Section 26	862.40	Purple Sage; Wolfcamp (GAS)	98220
Section 35			

Reference is made to your application received on June 22<sup>nd</sup>, 2022.

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, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool 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 northern edge. Encroachment will impact the following tract.

Section 23, encroachment to the 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.

Division understands you are seeking this unorthodox location as a preferred well spacing plan for horizontal wells within the prospective spacing unit. Therefore maximize recovery and preventing waste within the Wolfcamp formation underlying Section 26 and Section 35.

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.**

Reference this NSL order number on the As Drilled C-102, submitted with the Authorization to Transport (C-104), to place this well into production.

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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ADRIENNE E. SANDOVAL  
Division Director

Date: 7/25/2022

AES/lrl