

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ms. Leslie Reeves
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Administrative Order NSP - 2146

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

OXY USA INC. [OGRID 16696]

Nimitz MDP1 13 1 Federal Com Well No. 171H [API No. 30-015-48578]

Nimitz MDP1 13 1 Federal Com Well No. 311H [API No. 30-015-48586]

Located in Section 13, T24 South, R30 East, Eddy County, New Mexico

Reference is made to your application received on January 18th, 2023.

You have requested approval of a non-standard horizontal gas spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
W/2 W/2 of Section 01	479.91	Purple Sage; Wolfcamp	98220
W/2 W/2 of Section 12			
W/2 W/2 of Section 13			

Area of Exclusion:

Description	Acres
E/2 W/2 of Section 01	320
E/2 W/2 of Section 12	
E/2 W/2 of Section 13	

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit comprising 479.91 acres, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3) NMAC.

We understand that you are seeking this exception for an allowance to create a 479.91-acre, non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

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 which are being excluded.

You have requested this non-standard horizontal spacing unit to allow for efficient spacing of horizontal wells within the Wolfcamp formation underlying the W/2 W/2 of Section 01, W/2 W/2 of Section 12, and the W/2 W/2 of Section 13. Therefore, reducing waste while protecting the correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit with a Sundry notice to the Engineering Bureau, reference this NSP Order.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 2/07/2023