

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mr. Chase Rice
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NON-STANDARD LOCATION

Administrative Order NSL - 8608

Marathon Oil Permian, LLC [OGRID 372098]
Ripley BS Federal Com Well No. 501H
API No. 30-015-47620

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	320 FSL & 1311 FEL	O	35	24S	28E	Eddy
First Take Point	390 FSL & 2404 FEL	O	35	24S	28E	Eddy
Last Take Point	127 FNL & 2317 FEL	B	26	24S	28E	Eddy
Terminus	100 FNL & 2317 FEL	B	26	24S	28E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 35	640	Willow Lake; Bone Spring	64450
E/2 of Section 26			

Reference is made to your application received on June 13th, 2023.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) 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 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 236 - 323 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 35, encroachment to the W/2
Section 26, encroachment to the W/2

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location for the opportunity to recover reserves that may otherwise not be recovered within the Bonespring formation underlying the E/2 of Section 35 and the E/2 of Section 26 and thereby waste of resources.

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 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, 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.



DYLAN M. FUGE
DIRECTOR
DMF/lrl

Date: 7/10/2023

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 239510

CONDITIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 239510
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	7/13/2023