

State of New Mexico
Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL - 8652

**WPX Energy Permian, LLC [OGRID 246289]
Steel Guitar 35 26 Federal Com Well No. 423H
API No. 30-015-49852**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	437 FNL & 1927 FWL	C	26	26S	29E	Eddy
First Take Point	100 FNL & 2040 FWL	C	26	26S	29E	Eddy
Last Take Point	1744 FNL & 2040 FWL	10	35	26S	29E	Eddy
Terminus	1794 FNL & 2040 FWL	10	35	26S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 26	431.99	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 35 (<i>irregular</i>)			

Reference is made to your application received on September 28th, 2023.

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. Rule 2 governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(6) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

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This well's completed interval is as close as 100 feet to the northern and 100 feet to the southern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 23, encroachment to the SW/4
Section 19, encroachment to the Texas state line

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.

The Division understands you are seeking this unorthodox location to allow for the ultimate recovery of resources and thereby preventing waste of natural resources within the Wolfcamp formation underlying the W/2 of Section 26 and the W/2 of 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, 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: 10/27/23

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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 281185

CONDITIONS

Operator: WPX Energy Permian, LLC Devon Energy - Regulatory Oklahoma City, OK 73102	OGRID: 246289
	Action Number: 281185
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/30/2023