

State of New Mexico
Energy, Minerals and Natural Resources Department

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Division Director (Acting)
Oil Conservation Division



Mr. Roni Matthew
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8814

OXY USA INC. [OGRID 16696]
Chuck Smith MDP1 8 17 Well No. 3H
API No. 30-015-54096

Reference is made to your application received on October 2nd, 2024.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	361 FNL & 2595 FWL	C	08	24S	31E	Eddy
First Take Point	100 FNL & 2310 FEL	B	08	24S	31E	Eddy
Last Take Point	100 FSL & 2310 FEL	O	17	24S	31E	Eddy
Terminus	20 FSL & 2310 FEL	O	17	24S	31E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
E/2 of Section 08	640	Purple Sage; Wolfcamp, Gas	98220
E/2 of Section 17			

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 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 completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

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The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) 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.

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

Section 05, encroachment to the SE/4
Section 20, encroachment to the NE/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 to allow for efficient spacing of horizontal wells within the Wolfcamp formation underlying the E/2 of Section 08 and the E/2 of Section 17, thereby preventing waste.

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.



Gerasimos Razatos
Division Director (Acting)
GR/lrl

Date: 12/11/2024

Sante Fe Main Office
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General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 414970

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 414970
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/24/2024