

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 18, 2017

WPX Energy Production, LLC
Attn: Mr. Thomas E. Black Jr.

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL-7555

WPX Energy Production, LLC
OGRID 120782
State 2207 36D Well No. 193H
API No. 30-043-21308

Non-Standard Location

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	725' FNL & 311' FWL	D	36	22N	7W	Sandoval
Penetration Point	521' FNL & 496' FWL	D	36	22N	7W	Sandoval
Final perforation	1269' FNL & 1217' FWL	D	36	22N	7W	Sandoval
Terminus	1321' FNL & 1299' FWL	D	36	22N	7W	Sandoval

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 NW/4 of Section 36	40	WC 22N7W36; Gallup (O)	98231

Reference is made to your application received on June 29, 2017.

You have requested to drill this transverse horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provide for 40-acre units with wells to be located at least 330 feet from outer unit boundaries, and Rule 19.15.16.14.B (2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that the applicant is seeking this location to efficiently develop and drain the extent of the allotted 40 acres for this well.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

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.



DAVID R. CATANACH
Director

DRC/lrl

cc: Oil Conservation Division – Aztec District Office
State Land Office – Oil, Gas, and Minerals Division