State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary Heather Riley, Division Director Oil Conservation Division OF NEW MEDICO

Matthias Sayer Deputy Cabinet Secretary

February 8, 2018

Logos Operating, LLC

Attn: Mr. Christopher Jeffus

NON-STANDARD LOCATION

Administrative Order NSL-7629

Logos Operating, LLC OGRID 289408 Athena 2308 14L Well No. 1H API No. 30-045-35632

Non-Standard Location

Proposed Location:

	Footages	<u>Unit</u>	Sec.	Twsp	Range	County
Surface	2171' FSL & 571' FWL	L	14	23N	8W	San Juan
Penetration Point	1430' FSL & 330' FEL	I	15	23N	8W	San Juan
Final perforation	1430' FSL & 330' FWL	L	15	23N	8W	San Juan
Terminus	1430' FSL & 280' FWL	L	15	23N	8W	San Juan

Proposed Project Area:

Description	Acres	Pool	Pool Code
S/2 of Section 15	320	Basin Mancos, Gas Pool	97232

Reference is made to your application received on January 10, 2018.

You have requested to drill and produce this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by the Special Rules for the Basin Mancos Gas Pool, which provide for 320-acre units with wells to be located at least 660 feet from outer unit boundaries.

The well's completed interval at 330 feet, instead of standard will cause an encroachment toward the following locations:

Section 14, encroachment to the East Section 16, encroachment to the West

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

It is our understanding that the Applicant is seeking this location to cooperate with the surface management agency of the BLM to minimize surface impact while allowing efficient development of the spacing unit.

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.

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 following all other applicable Division rules.

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

HEATHER RILEY

Director

HR/lrl

cc: Oil Conservation Division – Aztec District Office
Bureau of Land Management – Farmington Field Office