

State of New Mexico  
Energy, Minerals and Natural Resources Department

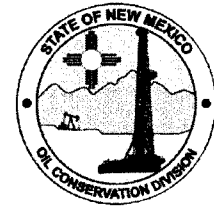
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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



April 26, 2018

Adam G. Rankin  
[agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7698**

**Percussion Petroleum Operating, LLC [OGRID 371755]  
South Boyd Federal Com Well No. 15H  
API No. 30-015-44882**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	360 FNL & 934 FEL	A	34	19S	25E	Eddy
Penetration Point	330 FSL & 653 FEL	P	27	19S	25E	Eddy
Final perforation	100 FNL & 653 FEL	A	27	19S	25E	Eddy
Terminus	20 FNL & 653 FEL	A	27	19S	25E	Eddy

**Proposed Project Area**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 E2 of Section 27	160	N. Seven Rivers; Glorieta-Yeso	97565

Reference is made to your application received on April 5, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection A of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern edge of the project area. Encroachments will impact the following tracts.

Section 22, T19S R25E encroachment to the SE4 SE4

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April 26, 2018  
Page 2 of 2

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Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC, in all adjoining units towards which the proposed location encroaches.

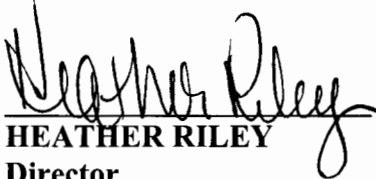
Division understands you seek this location to allow you to use this preferred well spacing plan for horizontal wells within the Glorieta-Yeso formation underlying the E2 E2 of Section 27.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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.

  
**HEATHER RILEY**  
**Director**

HR/lrl

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office