

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



April 23, 2018

Brian Wood
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NON-STANDARD LOCATION

Administrative Order NSL-7692

Apache Corporation [OGRID 873]
Palmillo 14 15 State Com Well No. 208H
API No. 30-015-44669

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	430` FNL & 470` FWL	D	14	19S	28E	Eddy
Penetration Point	431` FNL & 100` FEL	A	15	19S	28E	Eddy
Final perforation/ (Terminus)	430` FNL & 100` FWL	A	15	19S	28E	Eddy

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N2 N2 of Section 15	160	Palmillo; Bone Spring, SW	96413

Reference is made to your application received on March 12, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection B 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 eastern and western edge, and 442 feet to the northeastern and northwestern edges. Encroachments will impact the following tracts.

Section 9, encroachment to the SE4/ SE4
Section 11, encroachment to the SW4/ SW4
Section 14, encroachment to the NW4/ NW4
Section 16, encroachment to the NE4/ NE4

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 maximize the recovery of oil and gas reserves within the project area.

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/mam

cc: Oil Conservation Division – Artesia District Office
New Mexico State Land Office – Oil, Gas, and Minerals Division