Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



June 12, 2018

Adam G. Rankin agrankin@hollandhart.com

## NON-STANDARD LOCATION

## Administrative Order NSL-7730

EOG Resources, Inc. [OGRID 7377] Condor 32 State Well No. 615H API No. 30-025-44671

## **Proposed Location**

-	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	293 FSL & 2027 FWL	Ν	32	25S	34E	Lea
Penetration Point	330 FSL & 1602 FWL	Ν	32	25S	34E	Lea
Final perforation	2310 FSL & 1600 FWL	Κ	29	25S	34E	Lea
Terminus	2410 FSL & 1600 FWL	Κ	29	25S	34E	Lea

## **Proposed Project Area**

<b>Description</b>	Acres	Pool	Pool Code
E2 W2 of Section 32	240	Hardin Tank; Bone Spring	96661
E2 SW4 of Section 29			

Reference is made to your application received on May 18, 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 434 feet to the southwestern edge, 282 - 280 feet to the western edge and 433 feet to the northwestern edge. Encroachments will impact the following tracts.

Section 5 T26S R34E, encroachment to the NW4 NW4 Section 32 T25S R34E, encroachment to the W2 W2 Section 29 T25S R34E, encroachment to the W2 SW4 and the SW4 NW4 Administrative Order NSL-7730 EOG Resources, Inc. June 12, 2018 Page 2 of 2

Division understands that you are not required to give notice of this application to offsetting operators or owners who are "affected persons," due to common ownership.

Division understands you seek this location as a preferred well spacing for horizontal wells to maximize the recovery of oil and gas reserves underlying the project area within Bone Spring formation underlying the E2 W2 of Section 32 and the E2 SW4 of Section 29.

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.

Director

HR/lrl

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