

# Approved

## NSL

## Order

Approved: 03/23/20

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Adrienne E. Sandoval, Director**  
Oil Conservation Division



March 23, 2020

Ms. Jana Mendiola  
[janalyn\\_mendiola@oxy.com](mailto:janalyn_mendiola@oxy.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7977**

**Oxy USA, Inc. [OGRID 16696]  
Oxbow CC 17 8 Federal Com Well No. 42H  
API No. 30-015-PENDING**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	478 FNL & 966 FWL	D	20	24S	29E	Eddy
First Take Point	100 FSL & 1700 FWL	N	17	24S	29E	Eddy
Last Take Point	330 FNL & 1700 FWL	C	8	24S	29E	Eddy
Terminus	20 FNL & 1700 FWL	C	8	24S	29E	Eddy

**Proposed Horizontal Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W2 of Section 17	640	Purple Sage; Wolfcamp (GAS)	98220
W2 of Section 8			

Reference is made to your application received on February 2, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-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 from the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 20, encroachment to the NW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

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Division understands you seek this unorthodox location as an efficient spacing of your horizontal wells, thereby preventing waste within the Wolfcamp formation underlying the W2 of Section 17 and Section 8.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 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.



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**ADRIENNE E. SANDOVAL**  
**Division Director**

AES/lrl

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

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Monday, March 30, 2020 9:52 AM  
**To:** 'Mendiola, Jana Lyn A'  
**Cc:** Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Goetze, Phillip, EMNRD; Murphy, Kathleen A, EMNRD; Terry Warnell; Rose-Coss, Dylan H, EMNRD; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Lamkin, Baylen, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'  
**Subject:** APPROVED NSLs\_OXY USA INC.\_OXYBOW NO. 41H & 42H\_SEC 20 24S 29E  
**Attachments:** NSL-7976\_OXY WELL NO 41H\_Approved.pdf; NSL-7977\_OXY WELL NO. 42H\_Approved.pdf  
**Importance:** High

Jana Mendiola,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

A copy of each approved order is also attached.

NSL	AMD	Applicant	OGRID	WELL NAME
7977	-	OXY USA INC.	16696	AMENDED Oxybow CC 17 8 Federal Co
7976	-	OXY USA INC.	16696	AMENDED Oxybow CC 17 8 Federal Co

### **Leonard R. Lowe**

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