

Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
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Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



April 8, 2020

Deana M. Bennett
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NON-STANDARD LOCATION

Administrative Order NSL-8020

Franklin Mountain Energy, LLC [OGRID 373910]
Ouray Fed Com 703H
API No. 30-015-Pending

Proposed Location

	Footages	Unit/Lot	Sec.	TWNSP	Range	County
Surface	325 FSL & 1325 FWL	N	9	24S	35E	Lea
First Take Point	858 FSL & 2316 FWL	N	9	24S	35E	Lea
Last Take Point	150 FNL & 2426 FWL	3	4	24S	35E	Lea
Terminus	150 FNL & 2426 FWL	3	4	24S	35E	Lea

Proposed Horizontal Unit

Description	Acres	Pool	Pool Code
W/2 of Section 4	640	WC-025-G-09 S253502D	98187
W/2 of Section 9			

Reference is made to your application received on March 3, 2020.

You have requested to complete this horizontal well as an oil well as described above in the above-referenced pool or formation. This well is governed statewide rules, which establish 100' setbacks for the first and last take-points and 330' setbacks for the completed laterals. The well will produce from the WC-025-G-09 S253502D; Upper Wolfcamp (98187) and provides for 40-acre units.

This well's completed interval is as close as 200 feet to the eastern perpendicular of the spacing unit, including the tangent of the SW/4 SE/ 4 of Section 33, T. 23 S, R. 35 E. Encroachment will impact the following tracts.

Section 4, W/2 E/2
Section 9, W/2 E/2
Section 33, SW/4 SE/4 T. 23 S, R. 35 E.

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 upon which the proposed location encroaches.

The Division understands you seek this unorthodox location in order to optimize the completed lateral length of this wellbore while protecting correlative rights, improving well economics and thereby preventing waste within the Wolfcamp formation underlying the W/2 of Section 4 and W/2 of Section 9.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, the 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.



ADRIENNE E. SANDOVAL
Division Director

AES/kms

cc: Oil Conservation Division - Artesia District Office
State Land Office - Oil, Gas, and Minerals Division