

Approved

NSL

Order

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

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

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



August 31, 2021

Mr. Gary Bond  
[gary.bond@specialenergycorp.com](mailto:gary.bond@specialenergycorp.com)

NON-STANDARD LOCATION

**Administrative Order NSL-8205**

**Special Energy Corporation [OGRID 138008]  
Eureka 36 State Well No. 1  
API No. 30-025-33184**

**Surface Location; Vertical Well**

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
1980 FNL & 1650 FWL	F	36	16S	34E	Lea

**Proposed Oil Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 NW/4 of Section 36	80	Vacuum; Abo, North	61760

Reference is made to your application received on August 17<sup>th</sup>, 2021.

This vertical well was drilled at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide rules, which provides for 80-acre units, with wells to be located at least 460 from the QTR/QTR line.

This well's completed interval is as close as 660 feet to the northern boundary. Encroachment will impact the following tracts.

Section 36, encroachment to the N/2 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. You are 100% working interest within the affected tract, therefore notice is not required.

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Division understands that you are recompleting an existing vertical well within this formation, resulting in an unorthodox location. The division understands the intention to prevent waste within the Abo formation underlying the S/2 NW/4 of Section 36.

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

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** ["gary.bond@specialenergycorp.com"](mailto:gary.bond@specialenergycorp.com); ["Caitlin Hart"](#)  
**Cc:** [Kautz, Paul, EMNRD](#); [Holm, Anchor E.](#); ["lisa@rwbyram.com"](mailto:lisa@rwbyram.com)  
**Subject:** APPROVED NSL-8205\_Special Energy Corporation\_Eureka 36 Well No. 1\_36 16S 34E  
**Date:** Tuesday, September 7, 2021 4:44:00 PM  
**Attachments:** [NSL-8205\\_Special Energy Corp. Eureka 36 State Well No. 1\\_09.01.21.pdf](#)  
**Importance:** High

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Mr. Gary Bond,

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

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

NSL - 8205  
Special Energy Corporation  
Eureka 36 State Well No. 1  
API: 30-025-33184

A copy of the approved order is attached.

Thank you,

**Leonard R. Lowe**

Engineering Bureau  
OCD - EMNRD  
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<http://www.emnrd.state.nm.us/ocd/>