

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mr. Stephen Janacek,
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NON-STANDARD LOCATION

Administrative Order NSL-8386

**OXY USA INC. [OGRID 16696]
Heads CC 9 4 Federal Com Well No. 32H
API No. 30-015-47229**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	250 FSL & 915 FWL	M	9	24S	29E	Eddy
First Take Point	330 FSL & 1360 FWL	N	9	24S	29E	Eddy
Last Take Point	100 FNL & 1360 FWL	C/3	4	24S	29E	Eddy
Terminus	20 FNL & 1360 FWL	C/3	4	24S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Section 9	1280	Purple Sage; Wolfcamp (GAS)	98220
Section 4			

Reference is made to your application received on June 8th, 2022.

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, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool 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 to the northern edge. Encroachment will impact the following tract.

Section 33, 23S, 29E, encroachment to the SW/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.

Division understands you are seeking this unorthodox location to allow for efficient spacing of wells and thereby preventing waste within the Wolfcamp formation underlying Section 9 and Section 4.

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, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102, submitted with the Authorization to Transport (C-104), to place this well into production.

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

Date: 7/11/2022

AES/lrl