

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



NON-STANDARD LOCATION

Mr. David Catanach
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Administrative Order NSL - 8509

Maverick Permian, LLC [OGRID 331199]
Peridot 8 Federal Well No. 8H
API No. 30-025-PENDING

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1992 FSL & 2251 FEL	J	5	17S	32E	Lea
First Take Point	2320 FSL & 2297 FWL	K	5	17S	32E	Lea
Last Take Point/ Terminus	2318 FSL & 317 FWL	L/6	6	17S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SW/4 of section 5 S/2 of section 6	481.80	Maljamar; Yeso, West	44500

Reference is made to your application received on December 6th, 2022.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent.

This well's completed interval is as close as 320 - 322 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 5, encroachment to the S/2 NW/4
Section 6, encroachment to the S/2 N/2

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

Division understands you are seeking this unorthodox location to recover additional oil and gas reserves within the Yeso formation underlying SW/4 of section 5 and the S/2 of section 6. Thereby preventing waste and protecting the correlative rights of interest.

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 19.15.15.13 (B) 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.



DYLM. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 1/12/23