

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



August 23, 2016

EOG Resources, Inc.
Attn: Ms. Jordan Kessler

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL-7453

EOG Resources, Inc.
OGRID 7377
Rattlesnake 28 Federal Com Well No. 704H
API No. 30-025-42876

Non-Standard Location

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	730' FNL & 2100' FEL	B	28	26S	33E	Lea
Penetration Point	428' FNL & 2447' FEL	B	28	26S	33E	Lea
Final perforation	473' FSL & 2383' FEL	2	33	26S	33E	Lea
Terminus	230' FSL & 2384' FEL	2	33	26S	33E	Lea

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 2 and NW/4 NE/4 of Section 33, and W/2 E/2 of Section 28	76.03 160	WC-025 G-09 S263327G; Upper Wolfcamp	98097

Reference is made to your application received on August 1, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that EOG Resources, Inc. is seeking this location to allow for efficient spacing of horizontal wells, thereby preventing waste.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DAVID R. CATANACH
Director

DRC/lrl

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