

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Acting Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



February 28, 2017

EOG Resources, Inc.  
Attn: Ms. Jordan Kessler

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL-7484-A**

**EOG Resources, Inc.**  
**OGRID 7377**  
**Neptune 10 State Com Well No. 504H**  
**API No. 30-025-43455**

**Non-Standard Location**

**Proposed Location:**

	<b><u>Footages</u></b>	<b><u>Unit/Lot</u></b>	<b><u>Sec.</u></b>	<b><u>Twsp</u></b>	<b><u>Range</u></b>	<b><u>County</u></b>
Surface	330` FSL & 1480` FWL	N	10	24S	33E	Lea
Penetration Point	442` FSL & 1467` FWL	N	10	24S	33E	Lea
Final perforation	445` FNL & 1465` FWL	3	3	24S	33E	Lea
Terminus	234` FNL & 1453` FWL	3	3	24S	33E	Lea

**Proposed Project Area:**

<b><u>Description</u></b>	<b><u>Acres</u></b>	<b><u>Pool</u></b>	<b><u>Pool Code</u></b>
E/2 W/2 of Section 3	160.1	Triple X; Bone Spring, West	96674
E/2 W/2 of Section 10	160		

Reference is made to your application received on January 31, 2017.

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. 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 its preferred well spacing, thereby preventing waste.

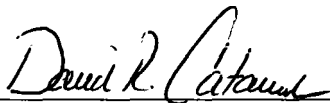
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches

This Order supersedes Administrative Order NSL-7484, issued on November 15, 2016.

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  
New Mexico State Land Office – Oil, Gas, and Minerals