

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

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



July 5, 2017

EOG Resources, Inc  
Attn Ms Jordan L Kessler

ADMINISTRATIVE NON-STANDARD LOCATION

**Administrative Order NSL-7553**

**EOG Resources, Inc.**  
**OGRID 7377**  
**Hearns 34 State Com Well No. 704H**  
**API No. 30-025-43720**

**Non-Standard Location**

**Proposed Location:**

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	300' FSL & 1386' FWL	N	34	24S	33E	Lea
Penetration Point	330' FSL & 1289' FWL	M	34	24S	33E	Lea
Final perforation	330' FNL & 1289' FWL	D	27	24S	33E	Lea
Terminus	230' FNL & 1289' FWL	D	27	24S	33E	Lea

**Proposed Project Area:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of Section 34 W/2 W/2 of Section 27	320	WC-025 G-09 S243336I, Upper Wolfcamp	98092

Reference is made to your application received on June 6, 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 provide for 40-acre units with wells to be located at least 330 feet from outer unit boundaries, and Rule 19.15.16.14.B (2) NMAC concerning directional wells in designated project areas. This surface location is outside the project area, and is permitted by Rule 19.15.16.15 B (4) NMAC which allows for surface locations outside project area. 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 as a preferred well spacing plan for horizontal wells and thereby preventing waste

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  
State Land Office – Oil, Gas, and Minerals Division