

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
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David R. Catanach, Division Director
Oil Conservation Division



June 12, 2018

Adam G. Rankin
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NON-STANDARD LOCATION

Administrative Order NSL-7729

EOG Resources, Inc. [OGRID 7377]
Condor 32 State Well No. 603H
API No. 30-025-44670

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	843 FNL & 2557 FWL	C	32	25S	34E	Lea
Penetration Point	330 FNL & 2580 FWL	C	32	25S	34E	Lea
Final perforation	330 FSL & 2582 FWL	N	32	25S	34E	Lea
Terminus	230 FSL & 2582 FWL	N	32	25S	34E	Lea

Proposed Project Area

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 W2 of Section 32	160	Hardin Tank; Bone Spring	96661

Reference is made to your application received on May 18, 2018.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Subsection B of 19.15.15.9 NMAC governs this pool and provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 335 feet to the northeastern edge, 60-58 feet to the eastern edge and 335 feet to the southeastern edge. Encroachments will impact the following tracts.

Section 29 T25S R34E, encroachment to the SW4 SE4
Section 32 T25S R34E, encroachment to the W2 E2
Section 5 T26S R34E, encroachment to the NW4 NE4

Division understands that you are not required to give notice of this application to offsetting operators or owners who are "affected persons," due to common ownership.

Division understands you seek this location as a preferred well spacing for horizontal wells to maximize the recovery of oil and gas reserves underlying the project area within the E2 W2 of Section 32.

Your application has been filed under 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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.


HEATHER RILEY
Director

HR/lrl

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division