

# Approved

## NSL

## Order

Approved: 03/23/20

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Adrienne E. Sandoval, Director**  
Oil Conservation Division



March 23, 2020

Mr. Lance D. Hough  
[ldh@modrall.com](mailto:ldh@modrall.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7994**

**Cimarex Energy Co. [OGRID 215009]  
James 20 29 Federal Com Well No. 39H  
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	340 FNL & 740 FWL	D	20	23S	32E	Lea
First Take Point	340 FNL & 1388 FWL	C	20	23S	32E	Lea
Last Take Point/ Terminus	100 FSL & 1386 FWL	N	29	23S	32E	Lea

**Proposed Horizontal Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 of Section 20	320	Sand Dunes; Bone Spring, South	53805
E/2 W/2 of Section 29			

Reference is made to your application received on February 24, 2020.

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 oil 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 68 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 20, encroachment to the W/2 W/2  
Section 29, encroachment to the W/2 W/2

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

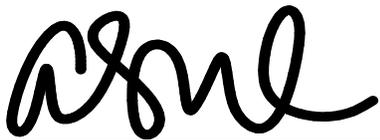
Division understands you seek this unorthodox location in order to maximum recovery of resource and preventing waste within the formation underlying the E/2 W/2 of Section 20 and the E/2 W/2 of Section 29.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 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.



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**ADRIENNE E. SANDOVAL**  
**Division Director**

AES/lrl

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

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Monday, March 30, 2020 9:23 AM  
**To:** 'Lance D. Hough'  
**Cc:** Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; 'lisa@rwbyram.com'; Goetze, Phillip, EMNRD; Murphy, Kathleen A, EMNRD; Terry Warnell; Rose-Coss, Dylan H, EMNRD; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Lamkin, Baylen, EMNRD; Garcia, John A, EMNRD; Scott Cox; 'jglover@blm.gov'  
**Subject:** APPROVED NSL-7994\_Cimarex Energy Co.\_James 20 29 Fed Com Well No. 39H \_SEC 20 23S 32E  
**Attachments:** NSL-7994\_CIMAREX WELL NO. 39H\_Approved.pdf  
  
**Importance:** High

Mr. Lance D. Hough,

The following NSL Administrative Order has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

A copy of the approved order is also attached.

### **NSL - 7994**

**Cimarex Energy Co. [OGRID 215009]  
James 20 29 Federal Com Well No. 39H  
API No. 30-025-PENDING**

#### **Leonard R. Lowe**

Engineering Bureau  
OCD - EMNRD  
5200 Oakland Ave. NE  
Albuquerque, N.M. 87113  
C: 505-930-6717  
<http://www.emnrd.state.nm.us/ocd/>