

Approved

NSL

Order

Approved: 08/25/20

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



August 25, 2020

Ms. Kaitlyn A. Luck
Kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8062

**EOG Resources, Inc. [OGRID 7377]
Stonewall 28 Federal Com Well No. 313H
API No. 30-025-44874**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	200 FNL & 693 FEL	A	28	24S	34E	Lea
First Take Point	423 FNL & 1184 FEL	A	28	24S	34E	Lea
Last Take Point	163 FSL & 1156 FEL	P	33	24S	34E	Lea
Terminus	100 FSL & 1245 FEL	P	33	24S	34E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 of Section 28	320	Red Hills; Bone Spring, North	96434
E/2 E/2 of Section 33		Wildcat; Upper Wolfcamp	98092

Reference is made to your application received on August 5, 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 136 - 164 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the W/2 E/2
Section 33, encroachment to the W/2 E/2

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

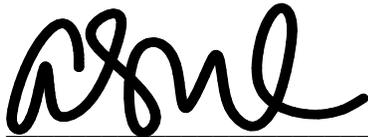
Division understands you are seeking this unorthodox location in order to optimize the well spacing for your horizontal well, thereby preventing waste within the Bone Spring and Wolfcamp formation underlying the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division
Bureau of Land Management – Carlsbad Field Office

From: [Lowe, Leonard, EMNRD](#)
To: [Kaitlyn A. Luck](#)
Cc: [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); "lisa@nwbyram.com"; [Simmons, Kurt, EMNRD](#); [Terry Warnell](#); [McClure, Dean, EMNRD](#); [Garcia, John A, EMNRD](#); [Scott Cox](#); "jglover@blm.gov"
Subject: APPROVED NSL-8062_EOG Resources, Inc._Stonewall 28 Federal Com Well No. 313H_SEC 28 24S 34E
Date: Friday, September 4, 2020 11:52:00 AM
Attachments: [NSL-8062_EOG Resources_ORDER.pdf](#)
Importance: High

Ms. Kaitlyn A. Luck,

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>

NSL	AMD	Applicant	OGRID	WELL NAME	API #
8062	-	EOG Resources, INC.	7377	Stonewall 28 Federal Com Well No. 313H	30-025-44874

A copy of each order is attached.

Leonard R. Lowe

Engineering Bureau
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