Mr. Chris Miller,

The above referenced NSL application is cancelled due to the following OCD rules:

NMAC 19.15.16.15 Horizontal Wells: (B) Well Spacing (8) Unitized areas:

For a horizontal well the completed interval of which is located wholly area or an area with uniform ownership as to the mineral estate in the objective formation, the horizontal spacing unit configuration requirements of Subparagraphs (c) and (d) of Paragraph (1), and Subparagraph (c) of Paragraph (2) of Subsection B of 19.15.16.15 NMAC do not apply.

NMAC 19.15.16.15 Horizontal Wells: (C) Setbacks: (7) Unitized areas:

For a horizontal well the completed interval of which is located wholly within in a unitized area or an area with uniform ownership as to the mineral estate in the objective formation, the setbacks prescribed in Subsection C of 19.15.16.15 NMAC apply only to the outer boundaries of the unitized area, area of uniform ownership or of any uncommitted tract or partially committed tract, instead of the outer boundaries of the horizontal spacing unit.

The OCD will keep the application for record.

If you have any questions or concerns on this and or other NSL or NSP questions, feel free to contact me.

Thank you,

Leonard R. Lowe

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