

Approved

NSL

Order

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



September 28th, 2021

Ms. Kaitlyn A. Luck
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NON-STANDARD LOCATION

Administrative Order NSL-8211

Centennial Resources Production, LLC [OGRID 372165]
Gordita 6 State Com Well No. 603H
API No. 30-025-49036

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	275 FSL & 1380 FWL	N	6	22S	35E	Lea
First Take Point	100 FNL & 2437 FWL	C	7	22S	35E	Lea
Last Take Point/ Terminus	100 FSL & 2456 FWL	N	18	22S	35E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 7	619.28	Ojo Chiso; Bone Spring	96553
W/2 of Section 18			

Reference is made to your application received on September 9th, 2021.

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 well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal 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 184 - 203 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 7, encroachment to the E/2 E/2
Section 18, encroachment to the E/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 due to the drilling plan spacing measures needed for this well's location. Therefore, preventing waste within the bone spring formation underlying W/2 of Section 7 and the W/2 of Section 18.

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: State Land Office – Oil, Gas, and Minerals Division