

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



November 24th, 2021

Ms. Leslie Reeves,
LESLIE_REEVES@OXY.com

NON-STANDARD LOCATION

Administrative Order NSL-8250

**OXY USA INC. [OGRID 16696]
Tails CC 10 3 Federal Com Well No. 36H
API No. 30-015-48964**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	220 FSL & 1670 FEL	O	10	24S	29E	Eddy
First Take Point	100 FSL & 330 FEL	P	10	24S	29E	Eddy
Last Take Point	100 FNL & 537 FEL	A/1	3	24S	29E	Eddy
Terminus	20 FNL & 545 FEL	A/1	3	24S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Section 10	1278.62	Purple Sage; Wolfcamp (GAS)	98220
Section 3			

Reference is made to your application received on November 3rd, 2021.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern and southern edge. Encroachment will impact the following tract.

Section 10, encroachment to the NE/4
Section 34, 23S 29E, encroachment to the SE/4

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 are seeking this unorthodox location to allow for efficient spacing of horizontal wells and thereby preventing waste within the Wolfcamp formation underlying section 10 and section 3.

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 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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Bureau of Land Management – Carlsbad Field Office