

State of New Mexico
Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL-8319

Ameredev Operating, LLC [OGRID 372224]
Holly 26 36 05 Federal Com Well No. 102H
API No. 30-025-46806

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	230 FNL & 760 FWL	D	5	26S	36E	Lea
First Take Point	100 FNL & 1026 FWL	D	5	26S	36E	Lea
Last Take Point	100 FSL & 1026 FWL	M	8	26S	36E	Lea
Terminus	50 FSL & 1026 FWL	M	8	26S	36E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of section 5	320	Wildcat; Wolfcamp	98234
W/2 W/2 of section 8			

Reference is made to your application received on January 24th, 2022.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool 1 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 294 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 5, encroachment to the E/2 W/2
Section 8, encroachment to the E/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 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 as your preferred well spacing plan for horizontal wells in this area and therefore preventing of waste within the wolfcamp formation underlying W/2 W/2 of section 5 and the W/2 W/2 of section 8.

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.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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

4/28/2022

Date

AES/lrl