

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



Ms. Leslie Reeves,
LESLIE_REEVES@OXY.COM

NON-STANDARD LOCATION

Administrative Order NSL-8431

OXY USA, INC. [OGRID 16696]
Precious 30 18 Federal Com Well No. 43H
API No. 30-015-46614

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	570 FNL & 2178 FWL	C	31	23S	31E	Eddy
First Take Point	100 FSL & 2490 FEL	O	30	23S	31E	Eddy
Last Take Point	2540 FSL & 2490 FEL	J	18	23S	31E	Eddy
Terminus	2620 FSL & 2490 FEL	J	18	23S	31E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 30	800	Wildcat; Wolfcamp	98236
E/2 of Section 19			
SE/4 of Section 18			

Reference is made to your application received on August 23rd, 2022.

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 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 150 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

- Section 30, encroachment to the E/2 W/2
- Section 19, encroachment to the E/2 W/2
- Section 18, encroachment to the E/2 SW/4

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 to allow for efficient spacing of horizontal wells within the Wolfcamp formation underlying E/2 of Section 30, E/2 of Section 19 and the SE/4 of Section 18.

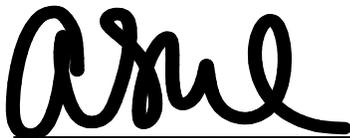
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

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

Date: 9/26/2022

AES/lrl