

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ms. Jordan Kessler
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NON-STANDARD LOCATION

Administrative Order NSL - 8538

**EOG Resources, INC. [OGRID 7377]
Caravan 28 State Com Well No. 203H
API No. 30-025-51066**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	543 FNL & 1504 FWL	C	28	24S	33E	Lea
First Take Point	100 FNL & 1220 FWL	D	28	24S	33E	Lea
Last Take Point/ Terminus	100 FSL & 1220 FWL	M	33	24S	33E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of Section 28	320	Triste Draw; Bone Spring, East	96682
W/2 W/2 of Section 33			

Reference is made to your application received on February 6th, 2023.

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 100 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the E/2 W/2
Section 33, 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 for optimal spacing to continue development of resources and preventing waste within the Bonespring formation underlying W/2 W/2 of Section 28 and the W/2 W/2 of Section 33.

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.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 3/3/23