Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



June 2, 2015

EOG Resources, Inc. Attn: Ms. Jordan Kessler

## ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7297 Administrative Application Reference No. pMAM1513446000

EOG Resources, Inc. OGRID 7377 Brown Bear 36 State Well No. 703 H API No. 30-025-42539

## **Proposed Location:**

	<b>Footages</b>	<u>Unit</u>	Sec.	Twsp	Range	County_
Surface	245` FSL & 1409` FWL	N	36	25S	33E	Lea
Penetration Point	330 `FSL & 1394` FWL	Ν	36	25S	33E	Lea
Final perforation	330` FNL & 1394` FWL	С	36	25S	33E	Lea
Terminus	230` FNL & 1394` FWL	С	36	25S	33E	Lea
Proposed Project Area:						-
Description	<u>Acres</u> Pool					Pool Code

E/2 W/2 of Section 36 160 WC-025 G-09 S253336D; Upper Wolfcamp 98094

Reference is made to your application received on May 12, 2015.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location because it will allow for efficient well spacing and prevent the potential waste of a productive portion of the reservoir.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on June 2, 2015

DAVID R. CATANACH Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs New Mexico State Land Office – Oil, Gas, and Minerals