State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



October 18, 2018

Michael Feldewert mhfeldewert@hollandhart.com

ADMINISTRATIVE SIMULTANEOUS DEDICATION ORDER

Administrative Order SD-201801

Fasken Oil & Ranch LTD [OGRID 151416]

Subject Well

State 32 Com Well No. 1 API No. 30-015-21028 Unit D, Section 32, T20S, R25E, NMPM Eddy County, New Mexico

Proposed Well

State 32 Com Well No. 3 API No. 30-015-34535 Unit F, Section 32, T20S, R25E, NMPM Eddy County, New Mexico

Subject Gas Spacing Unit

Description	Acres	Pool	Pool Code
N/2 of Section 32	320	Cemetary; Wolfcamp (Gas)	74680

Reference is made to your application received on September 27, 2018.

You have requested to simultaneously dedicate the N/2 of Section 32, Township 20 South, Range 25 East Eddy County, New Mexico, in the Cemetary; Wolfcamp (Gas) Pool (Pool Code 74680), to the above-described two wells. This pool is subject to statewide Division Rule 19.15.10 NMAC which allow for only one infill well per quarter section. Presently, the State 32 Com Well No. 1 is an active producer in the Cemetary; Wolfcamp (Gas) Pool located in the NW/4 of Section 32. Applicant is requesting that the State 32 Com Well No. 3 become an infill well within the NW/4 of the dedicated gas spacing unit.

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Your application has been duly filed under the provisions of Division Rules 19.15.15.11C NMAC and 19.15.2.8 A (2) NMAC.

It is our understanding Fasken Oil & Ranch LTD has proposed the simultaneous dedication of this unit to the two wells because the applicant seeks to recomplete the State 32 Com Well No. 3. to the Cemetary; Wolfcamp (Gas) to allow the operator to salvage the borehole.

Pursuant to the authority granted by Rule 19.15.15.11C NMAC, the above-described simultaneous dedication is hereby approved.

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

HEATHER RILEY

Director

HR/mam

cc: New Mexico Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad

New Mexico State Land Office – Oil, Gas, and Minerals

Well file 30-015-21028 Well file 30-015-34535