ID NO. 158755

RECEIVED:	REVIEWER:	TYPE:	pLEL2232156215

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

### **NEW MEXICO OIL CONSERVATION DIVISION**



- Geological & Eng	yineering Bureau –							
1220 South St. Francis Driv	ve, Santa Fe, NM 87505							
	PPLICATION CHECKLIST							
	NTIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND SSING AT THE DIVISION LEVEL IN SANTA FE							
Applicant, YTO Energy Inc	OCDID Number: 005380							
Applicant: XTO Energy Inc.  Well Name: Outrider 28 Fed #508H	OGRID Number: 005380 API: 30-025-50319							
Pool: WC-025 G-08 S243217P; UPR WOLFCAMP	Pool Code: 98248							
	ON REQUIRED TO PROCESS THE TYPE OF APPLICATION ATED BELOW							
1) TYPE OF APPLICATION: Check those which ap A. Location – Spacing Unit – Simultaneous D  NSL NSP(PROJECT AREA)								
B. Check one only for [1] or [1]  [1] Commingling – Storage – Measuremed DHC DHC DTB PLC P  [11] Injection – Disposal – Pressure Increa WFX PMX SWD DIF  2) NOTIFICATION REQUIRED TO: Check those whith A. Offset operators or lease holders  B. Royalty, overriding royalty owners, revenue C. Application requires published notice D. Notification and/or concurrent approfer. Notification and/or concurrent approfer. Surface owner  G. For all of the above, proof of notificat H. No notice required  3) CERTIFICATION: I hereby certify that the informadministrative approval is accurate and complete the control of	C							
	s application until the required information and							
Note: Statement must be completed by an inc	dividual with managerial and/or supervisory capacity.							
Paula M Vance	11/14/22 Date							
Print or Type Name	505 000 4421							
Palhlin	Phone Number							
	pmvance@hollandhart.com							
Signature	e-mail Address							



Paula M. Vance Associate Attorney Phone (505) 954-7286 PMVance@hollandhart.com

November 14, 2022

### **VIA ONLINE FILING**

Adrienne Sandoval
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re:** XTO Energy Inc.

Request for Administrative Approval of Unorthodox Well Location

Outrider 28 Fed #508H well E/2 E/2 of Sections 21 and 28, T24S, R32E Lea County, New Mexico WC-025 G-08 S243217P; UPR WOLFCAMP, [98248] API No. 30-025-50319

Dear Ms. Sandoval:

XTO Energy Inc. (OGRID No. 005380), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the WC-025 G-08 S243217P; UPR WOLFCAMP [98248], seeks administrative approval of an unorthodox well location for its **Outrider 28 Fed #508H well** (API No. 30-025-50319), in a 320-acre, more or less, spacing unit underlying the E/2 E/2 of Sections 21 and 28, T24S, R32E, Lea County, New Mexico.

The Outrider 28 Fed #508H oil well is the defining well for this spacing unit.

The proposed location is as follows:

- Surface location: 420' FSL and 2165' FEL (Unit O) of Section 28
- First take point: 100' FSL and 308' FEL (Unit P) of Section 28
- Last take point: 100' FNL and 279' FEL (Unit A) of Section 21
- Bottom hole location: 30' FNL and 278' FEL (Unit A) of Section 21

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Colorado Montana Nevada New Mexico

Washington, D.C.
Wyoming

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the eastern boundary of the spacing unit—thus encroaching on the W/2 W/2 of Sections 22 and 27, T24S, R32E. As explained in the engineering statement included as **Exhibit A**, approval of the unorthodox, completed interval will allow XTO to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

**Exhibit B** is a Form C-102 showing the proposed Outrider 28 Fed #508H well encroaches on the spacing unit/tracts to the east in the W/2 W/2 of Sections 22 and 27, T24S, R32E.

**Exhibit C** is a plat for Sections 21 and 28, T24S, R32E, that shows the proposed Outrider 28 Fed #508H well in relation to the adjoining spacing unit/tracts to the east. Exhibit C also includes an ownership list for the affected spacing unit to the east, showing that it is owned by XTO and Chisos, Ltd., as the working interest owners. In addition, the exhibit identifies that these are Bureau of Land Management ("BLM") leases. Accordingly, the "affected persons" <sup>1</sup> are the applicant, Chisos, Ltd., and the BLM.

**Exhibit D** is a signed wavier letter from Chisos, Ltd.

**Exhibit E** is a spreadsheet listing all affected persons requiring notice and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

Type	Affected Party	Location
Operator/	XTO Energy Inc.	W/2 W/2
Working		Section 22
Interest		and 27
Operator/	Chisos, Ltd. (signed a waiver)	W/2 W/2
Working	· -	Section 22
Interest		and 27
Federal/State	Bureau of Land Management	W/2 W/2
Mineral		Section 22
Interest		and 27

<sup>&</sup>lt;sup>1</sup> See NMAC §§ 19.15.2.7.A(8) [defining "affected persons" as, "in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner"] and 19.15.4.12.A(2)(a).

Your attention to this matter is appreciated.

Sincerely,

Paula M. Vance

Pakhir

ATTORNEY FOR XTO ENERGY INC.



XTO Energy Inc.
Reservoir Dept.
22777 Springwoods Village Pkwy
Spring TX 77389-1425
jennifer.l.stewart1@ExxonMobil.com

October 14, 2022

Mr. Leonard Lowe
Engineering Administrative Permitting Group
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Non-Standard Location Application Outrider 28 Fed 508H Well API#: 30-025-50319 Sections 21 & 28-T24S-R32E Lea County, New Mexico

Skwait

Mr. Leonard Lowe,

Due to a change of drill plans, XTO shifted the location of several of its planned wells in this unit to the east, including the Outrider 28 Federal 508H well. This change of spacing pattern has caused the Outrider 28 Fed 508H well to be drilled less than 330 feet from the eastern boundary of the spacing unit. XTO requests approval of this unorthodox well location to avoid causing wasted resources and reducing the production of the wells in this spacing unit and which is in furtherance of their preferred drill plans.

Sincerely,

Received by OCD: 11/15/2022 8:05:12 AM

Jennifer Stewart Reservoir Engineer

An ExxonMobil Subsidiary

District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S St. Francis Dr. Santa Fe. NM 87505

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPOR
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### WELL LOCATION AND ACREAGE DEDICATION PLAT PRE-PERF PLAT

<sup>1</sup> API Number	er	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name				
30-025-503	19	98248	WC-025 G-08 S243217P; UPR WOLFCAMP				
<sup>4</sup> Property Code		<sup>5</sup> Pr	operty Name	<sup>6</sup> Well Number			
332874		OUTF	RIDER 28 FED	508H			
<sup>7</sup> OGRID No.		8 O <sub>I</sub>	perator Name	<sup>9</sup> Elevation			
005380		XTO E	3,532'				

### <sup>10</sup> Surface Location

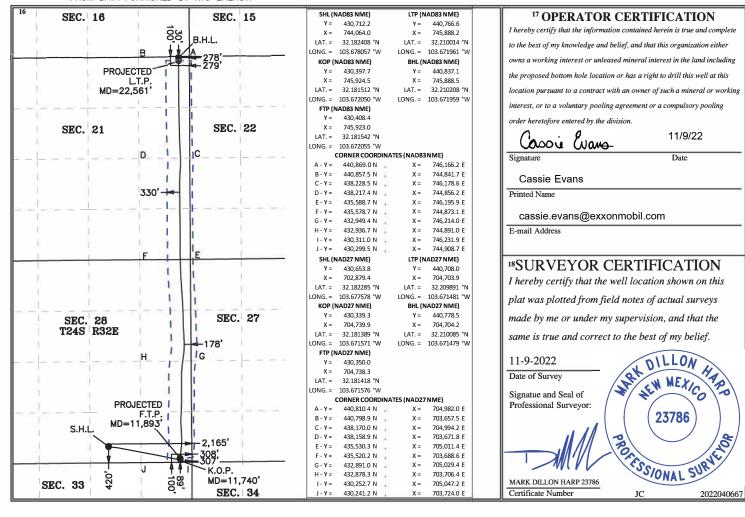
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	28	24 S	32 E		420	SOUTH	2,165	EAST	LEA

### 11 Bottom Hole Location If Different From Surface

	"Bottom Hole Location II Different From Surface												
UL or lot no.	Section Township Range			Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County				
A	21 24 S 32 E			30	NORTH	278	EAST	LEA					
12 Dedicated Acres	<sup>13</sup> Joint or	r Infill	<sup>4</sup> Consolidation	Code 15 Or	der No.	,,,							
320													

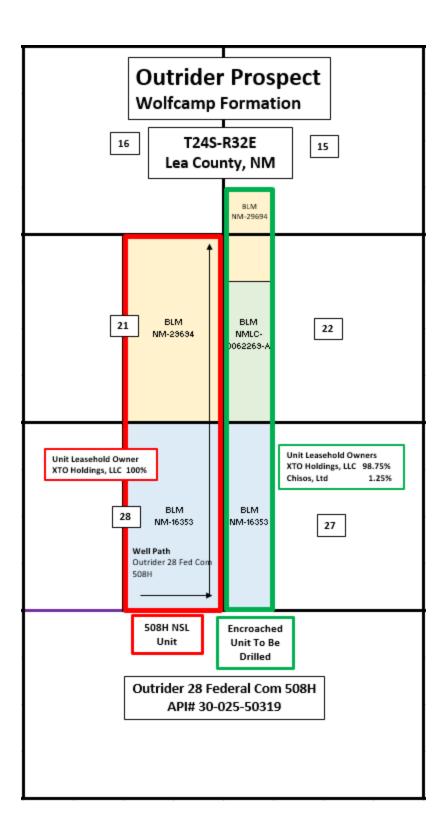
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NOTE: AS-DRILLED BOTTOM HOLE PLOTTED FROM DATA FURNISHED BY XTO ENERGY.



### **EXHIBIT B**

### **EXHIBIT C**





XTO Energy Inc. Land Dept. Loc. 115 22777 Springwoods Village Pkwy Spring TX 77389-1425 346-566-9338 - Direct Phone Brett.Woody@ExxonMobil.com

October 19, 2022

Chisos, Ltd. 1331 Lamar Street, #1077 Houston, TX 77010

Attention: Marshall Baker email: mbaker@chisosltd.com

Re:

Outrider 28 Federal Well No. 508H

E/2's of Sections 21 & 28, T24S, Range 32E

Lea County, New Mexico

Dear Mr. Baker:

XTO Energy Inc. will be submitting an application to the New Mexico Oil Conservation Division ("Division") for an unorthodox well location for its Outrider 28 Federal Well No. 508H (API 30-025-50319) to be completed within the WC-025 G-08 S243217P; UPR WOLFCAMP (Pool Code 98248). The well will be unorthodox because a portion of the lateral has been drilled within 178 feet from the east line of Section 28, T24S-R32E, N.M.P.M., Lea County, New Mexico. XTO Energy Inc. has dedicated a 320-acre spacing unit in the east halves (E/2's) of Sections 21 & 28 to this well.

Division Rules provide a 20-day notice period before an application will be approved unless the applicant obtains waivers from affected parties. To avoid problems or delays with continued drilling and development for the Outrider prospect, to which you are a party, we therefore urgently request your waiver of objection to XTO Energy Inc.'s application. We respectfully request that you sign this letter and either return by e-mail or overnight delivery as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me at letterhead phone number. Note this is a new phone number.

Sincerely,

Brett Woody

Chisos, Ltd agrees to waive objection to this application for a non-standard spacing unit of the Outrider 28 Federal Well No. 508H

By: Marshall Baker

Title: CEO

Date: 10-20-22

ADDR1 ADDR2 ADDR3 ADDR4 ADDR5 ADDR6 ADDR7

Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508

## **EXHIBIT E**



Paula M. Vance Associate Attorney Phone (505) 954-7286 PMVance@hollandhart.com

November 14, 2022

# VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508

**Re:** XTO Energy Inc.

Request for Administrative Approval of Unorthodox Well Location

Outrider 28 Fed #508H well E/2 E/2 of Sections 21 and 28, T24S, R32E Lea County, New Mexico WC-025 G-08 S243217P; UPR WOLFCAMP, [98248] API No. 30-025-50319

### Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Cassie Evans XTO Energy Inc. (432) 218-3671 cassie.evans@exxonmobil.com

Sincerely,

Paula M. Vance

ATTORNEY FOR XTO ENERGY INC.



### **Shipment Confirmation Acceptance Notice**

Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

### XTO - Outrider 508H NSL

Shipment Date: 11/14/2022 Shipped From: Name: HOLLAND & HART LLP (1)

110 N GUADALUPE ST # 1 Address:

City:\_SANTA FE

State:\_NM ZIP+4® \_87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

<sup>\*</sup>Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

### **B. USPS Action**

Note to RSS Clerk:

- 1. Home screen > Mailing/Shipping > More
- Select Shipment Confirm
   Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No
   Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE

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SANTA FE NM 87501	★ Certified Mail     □ Return Receipt for	(for additional copies of this receipt).  Postmark with Date of Receipt.												
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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 158755

### **CONDITIONS**

Operator:	OGRID:
XTO ENERGY, INC	5380
6401 Holiday Hill Road	Action Number:
Midland, TX 79707	158755
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

- 1	Created	Condition	Condition Date
	Ву		
	llowe	NSL - 8487 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	11/17/2022