

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

Dylan M. Fuge, Acting Director
Oil Conservation Division



Mr. Brian Wood
brian@permitswest.com

NON-STANDARD LOCATION

Administrative Order NSL - 8560

Wapiti Operating, LLC [OGRID 328741]
VPR A Well No. 589
API No. 30-007-20991

Vertical Well

| Footages | Unit/Lot | Sec. | Twsp | Range | County |
|---------------------|-----------------|-------------|-------------|--------------|---------------|
| 1114 FNL & 2174 FEL | B | 32 | 32N | 21E | Colfax |

Proposed Unit

| Description | Acres | Pool | Pool Code |
|--------------------|--------------|-------------------------------------|------------------|
| NE/4 of Section 32 | 160 | Stubblefield CNYN Raton-Vermejo Gas | 96970 |

Reference is made to your application received on April 2nd, 2023.

This vertical Well is to be completed at an unorthodox location described above in the referenced pool and formation. Special pool rule R-13011 governs this vertical well, which provides for 160-acre spacing units with setbacks no closer than 660 feet from the outer boundary of the spacing unit.

This well's completed interval is as close as 466 feet towards the western edge of the spacing unit. Encroachment will impact the following tracts.

Section 32, encroachment to the NW/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. No notice is required.

The Division understands you are requesting this unorthodox location to minimize cuts, fills, and visibility of topographical concerns within this area. Therefore, protecting correlative rights and the prevention of waste of resources within the Vermejo Gas formation underlying the NE/4 of section 32.

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Wapiti Operating, LLC
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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: 4/20/23

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
District IV
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 210069

CONDITIONS

| | |
|--|--|
| Operator: Wapiti Operating, LLC 1251 Lumpkin Rd Houston, TX 77043 | OGRID: 328741 |
| | Action Number: 210069 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| | | |
|------------|-------------------------|----------------|
| Created By | Condition | Condition Date |
| Ilowe | NSL - 8560 is approved! | 4/24/2023 |