State of New Mexico Energy, Minerals and Natural Resources Department

Dylan M. Fuge, Director

Oil Conservation Division

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Dylan M. Fuge Deputy Secretary (Acting)

Mr. Brad Dunn bdunn@mewbourne.com

NON-STANDARD LOCATION

Administrative Order NSL - 8641

Mewbourne Oil Company [OGRID 14744] Tommy Boy 23 24 W0LI Fee Well No. 1H API No. 30-015-48636

Proposed Location

•	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2440 FSL & 320 FEL	Ι	22	22S	27E	Eddy
First Take Point	2050 FSL & 100 FWL	L	23	22S	27E	Eddy
Last Take Point	2050 FSL & 100 FEL	Ι	24	22S	27E	Eddy
Terminus	2050 FSL & 100 FEL	Ι	24	22S	27E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
S/2 of Section 23	640	Purple Sage; Wolfcamp (GAS)	98220
S/2 of Section 24			

Reference is made to your application received on September 5th, 2023.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the western and 100 feet to the eastern boundary of the horizontal spacing unit. Encroachment will impact the following tract.

Section 22, T22S, R27E encroachment to the SE/4 Section 19, T22S, R28E encroachment to the SW/4 Administrative Order NSL – 8641 Mewbourne Oil Company Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location to recover additional oil and gas reserves and thereby preventing waste within the Wolfcamp formation underlying the S/2 of Section 23 and the S/2 of Section 24.

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 Subsection B of 19.15.15.13 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.

Date: 10/20/23

DYLANM. FUG DIRECTOR DMF/lrl

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

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	281144
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/30/2023

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Action 281144