

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
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Dylan M. Fuge, Director
Oil Conservation Division (Acting)



Ms. Paula M. Vance
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8687

**Amerdev Operating, LLC [OGRID 372224]
Dogwood Federal Com 25 36 20 Well No. 104H
API No. 30-025-52143**

Reference is made to your application received on November 13th, 2023.

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 200 FSL & 1780 FWL | N | 20 | 25S | 36E | Lea |
| First Take Point | 100 FSL & 2590 FWL | N | 20 | 25S | 36E | Lea |
| Last Take Point | 100 FNL & 2590 FWL | C | 17 | 25S | 36E | Lea |
| Terminus | 50 FNL & 2590 FWL | C | 17 | 25S | 36E | Lea |

Proposed Horizontal Units

| Description | Acres | Pool | Pool Code |
|--------------------|--------------|---------------------------|------------------|
| W/2 Section 20 | 640 | Jal; Wolfcamp, West (oil) | 33813 |
| W/2 Section 17 | | | |

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an **oil** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard

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Ameredev Operating, LLC
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location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 50 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 20, encroachment to the W/2 E/2
Section 17, encroachment to the W/2 E/2

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.

Division understands you are seeking this unorthodox location to avoid causing wasted resources and reducing the production of wells within the Wolfcamp formation underlying W/2 of Section 20 and the W/2 Section 17.

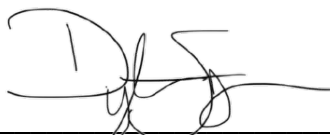
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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: 12/21/23

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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

Action 298172

CONDITIONS

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|--|--|
| Operator: AMEREDEV OPERATING, LLC 2901 Via Fortuna Austin, TX 78746 | OGRID: 372224 |
| | Action Number: 298172 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 12/28/2023 |