State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinet Secretary

Dylan M. Fuge Deputy Secretary **Dylan M. Fuge**, Division Director (Acting) **Oil Conservation Division**



Mr. Hudson Bunson hbrunson@mewbourne.com

Administrative Order NSP - 2200

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Mewbourne Oil Company [OGRID 14744]

Kings Landing 25 24 Federal Com Well No. 511H [API No. 30-015-PENDING] Kings Landing 25 24 Federal Com Well No. 513H [API No. 30-015-PENDING] W/2 Section 25 & W/2 Section 24, T18S R32E, Lea County

Reference is made to your application received on April 8th, 2024. This application was initially protested. The protest was retracted on May 13, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
W/2 Section 25	640	Querecho Plans; Lower Bone Spring	50510
W/2 Section 24			

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

NSP - 2200 Mewbourne Oil Company Page 2 of 2

The Division understands you have given notice of this application to all operators or owners

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 which are to be being included.

It is understood that a non-standard horizontal spacing unit is needed in order to eliminate the need for separate production facilities, additional administrative applications and to protect the correlative rights within the Bonespring formation. Thereby, preventing waste underlying W/2 Section 25 and the W/2 of Section 24.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following e-mail address: ocd.engineer@emnrd.nm.gov of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

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

Date: 5/30/24

DYLAN M. FUGE DIRECTOR (ACTING)

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

Action 350519

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	350519
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/3/2024