# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinet Secretary

**Ben Shelton**Deputy Secretary

Gerasimos "Gerry" Razatos Division Director (Acting) Oil Conservation Division



Brad Dunn bdunn@mewbourne.com

#### **ADMINISTRATIVE NON-STANDARD LOCATION**

Administrative Order NSL – 8904

Mewbourne Oil Company [OGRID 14744] Canal 20 19 Federal Com Well No. 712H API No. 30-015-56328

Reference is made to your application received on March 10<sup>th</sup>, 2025.

#### **Proposed Location**

	<u>Footages</u>	Unit/Lot	Sec.	Twsp	Range	County
Surface	1020 FNL & 355 FEL	A	20	21S	27E	Eddy
First Take Point	830 FNL & 100 FEL	A	20	21S	27E	Eddy
Last Take Point/	830 FNL & 100 FWL	D	19	21S	27E	Eddy
Terminus						

### **Proposed Horizontal Units**

Description	Acres	Pool	Pool Code
Section 20	1269.92	Carlsbad; Wolfcamp, East	74160
Section 19			

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)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **gas** 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 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 660 feet for a **gas** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8904 Mewbourne Oil Company Page 2 of 2

well shall be no closer than 330 feet for a **gas** 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 location, comprised of First and/or Last Take Points referenced above within the described Horizontal Spacing Unit.

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

Section 24, T21S, R26E, encroachment to the NE/4 Section 21, T21S, R27E, 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 Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying Section 20 and Section 19. Thereby preventing waste within the formation all while protecting the correlative rights of affected persons within the encroached tracts.

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: 4/23/2025

**Gerasimos Razatos** 

Division Director (Acting)

GR/lrl

NCT	_ 8904	Revised March 23, 2017
	_ XUI/	

ID NO. 440665	NSL	<b>- 8904</b>	Revised Water 23, 2017
RECEIVED: 03/10/25	REVIEWER:	TYPE:	PLEL2507861155

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERV - Geological & Engineerin 1220 South St. Francis Drive, San	ıg Bureau –	
ADMINISTRATIVE APPLICAT	ION CHECKLIST	
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLIC REGULATIONS WHICH REQUIRE PROCESSING AT TH		
Applicant: Mewbourne Oil Company	OGRID	Number: <u>14744</u>
Vell Name: Canal 20/19 Fed Com #712H		015-Pending
Cool: Carlsbad; Wolfcamp, East (Gas)	Pool C	ode: <u>74160</u>
SUBMIT ACCURATE AND COMPLETE INFORMATION REQUINDICATED BELO		IE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which apply for [A. Location – Spacing Unit – Simultaneous Dedication – Spacing Unit – Simultaneous Dedication – NSP (PROJECT AREA)		D .
[ II ] Injection – Disposal – Pressure Increase – Enh	OLS OLM  Janced Oil Recovery  OR PPR	FOR OCD ONLY
A. Offset operators or lease holders  B. Royalty, overriding royalty owners, revenue over the control of the co	wners LO LM	Notice Complete  Application Content Complete
CERTIFICATION: I hereby certify that the information su administrative approval is accurate and complete to understand that <b>no action</b> will be taken on this applica- notifications are submitted to the Division.	the best of my know	vledge. I also
Note: Statement must be completed by an individual with	h managerial and/or super	visory capacity.
	2/14/2025	
Brad Dunn	Date	
Print or Type Name		

(432) 682-3715 Phone Number bdunn@mewbourne.com Signature e-mail Address

# MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715

February 14, 2025

Via Certified Mail

New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87505 Attn: Mr. Leonard Lowe OCD Engineer

Re: Non Standard Location Application

CANAL 20/19 FED COM #712H (API #30-015-pending)
 Surface Location: 1020' FNL & 355' FEL (Unit A) (Sec. 20)

Proposed First Perf: 830' FNL & 100' FEL (Unit A) (Sec. 20) - unorthodox

Bottomhole Location: 830' FNL & 100' FWL (Unit D) (Sec. 19)

Proposed Last Perf: 830' FNL & 100' FWL (Unit D) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of unorthodox gas well locations for the above captioned CANAL 20/19 FED COM #712H well. Each of these wells will be drilled as horizontal gas well in the Carlsbad; Wolfcamp, East Gas Pool [74160].

The above well will be dedicated to a standard 1269.92-acre gas spacing and proration unit comprising all of Section 20 and all of Section 19.

The Carlsbad; Wolfcamp, East Gas Pool is currently governed by Division Rule 19.15.16.15 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 330 feet from the parallel and 660 feet to the perpendicular outer boundary of the producing area.

The unorthodox locations are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying all of Section 20 and all of Section 19.

The affected offset acreage comprises the SE/4 of Section 13, E/2 of Section 24 and the NE/4 of Section 25, T21S, R26E, and the S/2 of Section 18, S/2 of Section 17, SW/4 of Section 16, W/2 of Section 21, NW/4 of Section 28, N/2 of Section 29, and the N/2 of Section 30, T21S, R27E, NMPM (See Attached Map). Notice of this application is being provided to the attached list of parties.

Attached is our Form C-102 showing the surface, first take point, and bottomhole location for the above captioned well. Also, attached is a map showing the affected offset acreage, a horizontal well plan, and notice list.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Carlsbad; Wolfcamp, East Gas Pool underlying Sections 20 & 19 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at <a href="mailto:bdunn@mewbourne.com">bdunn@mewbourne.com</a> or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Landman

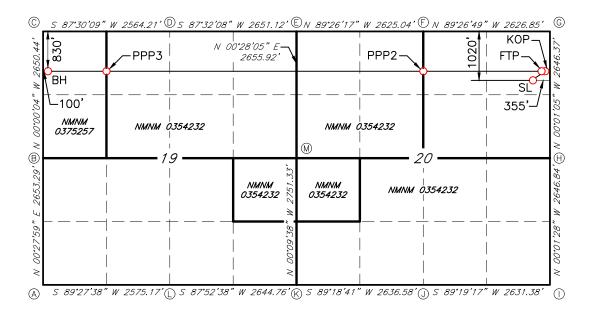
Energy, Minerals & 1					l Resources Dep				Revised	July 9, 2024	
	Electronica D Permittir	,		OIL	CONSERVAT	TON DIVISION				☐ Initial Submittal	
								Subm Type:		☐ Amended R	eport
										☐ As Drilled	
			т			ION INFORMATIO	N				
API Nu			Pool Code		1160	Pool Name	ARLSBAD	EAST	1		AS
Property	Code		Property Na		CANA	L 20/19 FE	р сом				712H
OGRID	No.	14744	Operator Na	ime	MEWBO	URNE OIL C	OMPANY		Grou	nd Level Elevation	<sup>on</sup> 3207'
Surface	Owner:	State  Fee	Tribal □ Fe	ederal		Mineral Owner:	☐ State ☐ Fee	□Tribal	□Fe	deral	
					Surfa	ace Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
A	20	21S	27E		1020 FNL	355 FEL	32.46999	002°N	104	.2047141°V	V EDDY
					Bottom	Hole Location					<u> </u>
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long		County
D	19	21S	27E		830 FNL	100 FWL	32.47006	340°N	104	.2371564°	V EDDY
Dadiant	ed Acres	Infill or Defi	ming Wall	Defining	Well API	Overlapping Spa	oing Unit (V/N)	Consoli	dation	Codo	
	89.92	DEFININ	-	Defining	Well API	Y Y		Conson	ианоп	COM	
Order N				<u> </u>		Well setbacks are	e under Commo	n Owners	hip: [		
					Kick O	ff Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
A	20	21S	27E		830 FNL	10 FEL	32.47050	21°N		.2035952°1	1 -
			<u> </u>	ļ.	First Ta	ke Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
A	20	21S	27E		830 FNL	100 FEL	32.47050	48°N	104	.2038869°1	V EDDY
		1				ke Point (LTP)	T				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
Unitized	l Area or Aı	ea of Uniform	Interest	Spacing	Unit Type  Hor	izontal   Vertical	Grou	nd Floor	Elevat	ion:	
OPER.	ATOR CER	TIFICATIONS	3			SURVEYOR CER	TIFICATIONS				
					olete to the best of	I hereby certify that th	e well location sho	wn on this	plat wa	s plotted from field	notes of actual
organiza	tion either own	ef, and , if the well as a working inter	est or unleased n	nineral inter	est in the land	surveys made by me u my belief.	nder my supervicio		The san	te is true and correc	t to the best of
location	oursuant to a c		wner of a workin	ig interest or	unleased mineral			ME	6		
interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.			order heretofore			19680					
		tal well, I further o					PROT		'	رق	
consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed		well's completed		THE			W/				
interval v	viii be located	or obtained a con	ipuisory pooling	oraer from i	tne division.		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	ONAL '	SUI		
Signature			Date			Signature and Seal of Prof	fessional Surveyor	, )			
						/ Robert M	. Howe				
Printed Na	me					Certificate Number	Date of Sur	vey			_
						19680		0	2/2	2/2024	
Email Add	ress								-	-	

#### ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

# CANAL 20/19 FED COM #712H



<u>GEODETIC DATA</u> NAD 83 GRID — NM EAST CORNER DATA NAD 83 GRID — NM EAST A: FOUND BRASS CAP "1943" SURFACE LOCATION (SL) N: 534737.2 - E: 581003.2 N: 530276.6 - E: 570876.7 LAT: 32.4699902° N B: FOUND BRASS CAP "1943" LONG: 104.2047141° W N: 532929.2 - E: 570898.3 KICK OFF POINT (KOP) C: FOUND 1/2" IRON ROD N: 534923.9 - E: 581348.1 N: 535579.0 - E: 570898.2 LAT: 32.4705021° N LONG: 104.2035952° W D: FOUND BRASS CAP "1943" N: 535690.7 - E: 573459.4 FIRST TAKE POINT FTP (FTP) CALCULATED CORNER N: 534924.7 - E: 581258.1 N: 535804.7 - E: 576107.4 LAT: 32.4705048° N F: FOUND BRASS CAP "1943" LONG: 104.2038869° W N: 535778.9 - E: 578731.7 PROPOSED PENETRATION POINT 2 (PPP2) 897' FNL - 2627' FEL (SEC.20) G: FOUND BRASS CAP "1943" N: 535753.6 - E: 581357.8 N: 534882.6 - E: 578731.5 H: FOUND BRASS CAP "1943" LAT: 32.4703971° N: 533107.8 - E: 581358.6 LONG: 104.2120798° W I: FOUND BRASS CAP "1943" PROPOSED PENETRATION POINT 3 (PPP3)
861' FNL - 1237' FWL (SEC.19)
N: 534772.5 - E: 572133.4 N: 530461.6 - E: 581359.8 J: FOUND BRASS CAP "1943" N: 530430.5 - E: 578729.2 LAT: 32.4701132° N LONG: 104.2334751° W K: FOUND BRASS CAP "1943" N: 530398.8 - E: 576093.4 BOTTOM HOLE (BH) N: 534753.5 - E: 570998.1 L: CALCULATED CORNER N: 530300.8 - E: 573451.1 LAT: 32.4700640° N LONG: 104.2371564° W M: FOUND BRASS CAP "1943" N: 533149.5 - E: 576085.7

# MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

February 14, 2025

#### Via Certified Mail

Affected Parties (See Attached List)

Re: Application for Non Standard Locations

CANAL 20/19 FED COM #712H (API #30-015-pending)
 Surface Location: 1020' FNL & 355' FEL (Unit A) (Sec. 20)
 Proposed First Perf: 830' FNL & 100' FEL (Unit A) (Sec. 20) - unorthodox
 Bottomhole Location: 830' FNL & 100' FWL (Unit D) (Sec. 19)
 Proposed Last Perf: 830' FNL & 100' FWL (Unit D) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

CANAL 20/19 FED COM #714H (API #30-015-pending)
 Surface Location: 1060' FNL & 355' FEL (Unit A) (Sec. 20)
 Proposed First Perf: 2150' FNL & 100' FEL (Unit H) (Sec. 20) - unorthodox
 Bottomhole Location: 2150' FNL & 100' FWL (Unit D) (Sec. 19)
 Proposed Last Perf: 2150' FNL & 100' FWL (Unit E) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

CANAL 20/19 FED COM #716H (API #30-015-pending)
 Surface Location: 1540' FSL & 1130' FWL (Unit L) (Sec. 21)
 Proposed First Perf: 1810' FSL & 100' FEL (Unit I) (Sec. 20) - unorthodox
 Bottomhole Location: 1810' FSL & 100' FWL (Unit L) (Sec. 19)
 Proposed Last Perf: 1810' FSL & 100' FWL (Unit L) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

CANAL 20/19 FED COM #718H (API #30-015-pending)
 Surface Location: 1500' FSL & 1130' FWL (Unit L) (Sec. 21)
 Proposed First Perf: 490' FSL & 100' FEL (Unit P) (Sec. 20) - unorthodox
 Bottomhole Location: 490' FSL & 100' FWL (Unit M) (Sec. 19)
 Proposed Last Perf: 490' FSL & 100' FWL (Unit M) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

CANAL 20/19 FED COM #851H (API #30-015-pending)
 Surface Location: 1000' FNL & 355' FEL (Unit A) (Sec. 20)
 Proposed First Perf: 490' FNL & 100' FEL (Unit A) (Sec. 20) - unorthodox
 Bottomhole Location: 490' FNL & 100' FWL (Unit D) (Sec. 19)
 Proposed Last Perf: 490' FNL & 100' FWL (Unit D) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

6. CANAL 20/19 FED COM #853H (API #30-015-pending)

Surface Location: 1040' FNL & 355' FEL (Unit A) (Sec. 20)

Proposed First Perf: 1810' FNL & 100' FEL (Unit H) (Sec. 20) - unorthodox

Bottomhole Location: 1810' FNL & 100' FWL (Unit E) (Sec. 19)

Proposed Last Perf: 1810' FNL & 100' FWL (Unit E) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

7. CANAL 20/19 FED COM #855H (API #30-015-pending)

Surface Location: 1560' FSL & 1130' FWL (Unit L) (Sec. 21)

Proposed First Perf: 2150' FSL & 100' FEL (Unit I) (Sec. 20) - unorthodox

Bottomhole Location: 2150' FSL & 100' FWL (Unit L) (Sec. 19)

Proposed Last Perf: 2150' FSL & 100' FWL (Unit L) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

8. CANAL 20/19 FED COM #857H (API #30-015-pending)

Surface Location: 1520' FSL & 1130' FWL (Unit L) (Sec. 21)

Proposed First Perf: 830' FSL & 100' FEL (Unit P) (Sec. 20) - unorthodox

Bottomhole Location: 830' FSL & 100' FWL (Unit M) (Sec. 19)

Proposed Last Perf: 830' FSL & 100' FWL (Unit M) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

## To Whom It May Concern:

Enclosed is a copy of Mewbourne Oil Company's (MOC) Application for Unorthodox Non Standard Well Locations for the CANAL 20/19 FED COM #712H, CANAL 20/19 FED COM #714H, CANAL 20/19 FED COM #716H, CANAL 20/19 FED COM #718H, CANAL 20/19 FED COM #851H, CANAL 20/19 FED COM #853H, CANAL 20/19 FED COM #855H, and CANAL 20/19 FED COM #857H wells covering all of Sections 20 and 19-T21S-R27E, NMPM, Eddy County, New Mexico. You are being sent a copy of this Application per OCD's requirements to notify the interest owners in the affected offset acreage. If you have any objection to this Application, notification should be given within 20 days of the date of this letter. The Application has been filed with the OCD as of this date.

The unorthodox locations are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying Section 20 and Section 19.

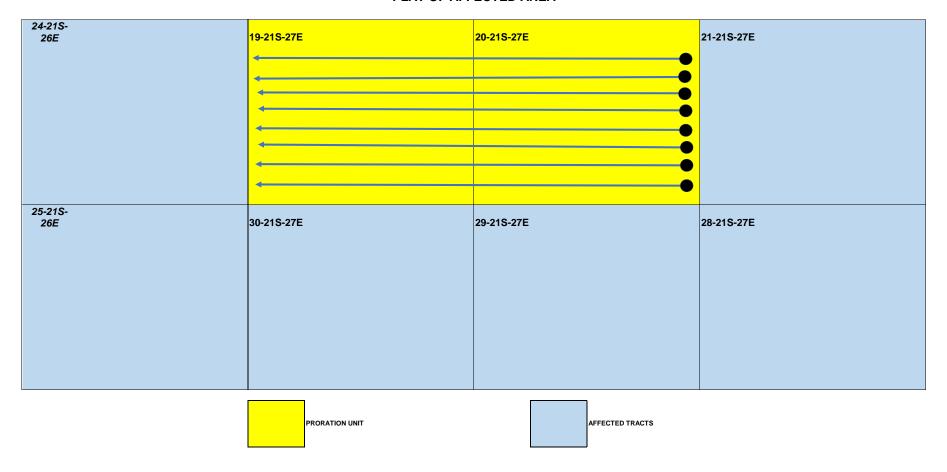
If you have any questions regarding this application, please contact me via telephone at 432-682-3715 or via email at bdunn@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn Landman

#### PLAT OF AFFECTED AREA



#### **CANAL 20/19 NSL DISTRIBUTION LIST**

OWNER NAME	ADDRESS LINE 1	ADDRESS LINE 2	ADDRESS LINE 3	CITY	STATE	ZIP	TRACKING NUMBER
Ida Mae Rayroux Revocable Trust	5 Bessies Landing Drive			Poquoson	VA	23662	9414 8362 0855 1278 3541 37
The Dougherty Family Living Trust	6 Bessies Landing Drive			Poquoson	VA	23663	9415 8362 0855 1278 3547 79
Rachel A. West	1711 Standpipe Road			Carlsbad	NM	88220	9416 8362 0855 1278 3555 16
William Dean Wall and Mary L. Wall	2109 Sandy Lane			Carlsbad	NM	88220	9417 8362 0855 1278 3555 54
Kenney L. Rayroux and Carolyn J. Rayroux	2110 Solana			Carlsbad	NM	88220	9418 8362 0855 1278 3555 85
OXY Y-1 Company	Attn: Permian Land Manager	PO Box 27570		Houston	TX	77227	9419 8362 0855 1278 3556 08
Ross Duncan Properties, LLC	PO Box 647			Artesia	NM	88211	9420 8362 0855 1278 3556 46
Southwest Petroleum Services, LLC	100 N Pennsylvania			Roswell	NM	88203	9421 8362 0855 1278 3556 60
B&G Royalties	PO Box 376			Artesia	NM	88211	9422 8362 0855 1278 3557 07
Oak Valley Mineral and Land, LP	PO Box 50820			Midland	TX	79710	9423 8362 0855 1278 3557 38
Bureau of Land Management	310 Old Santa Fe Trail			Santa Fe	NM	87508	9424 8362 0855 1278 3557 45
Matador Production Company	One Lincoln Centre	5400 LBJ Freeway	STE 1500	Dallas	TX	75240	9425 8362 0855 1278 3558 20
Snow Oil & Gas Inc.	P.O. Box 1277			Andrews	TX	79714	9426 8362 0855 1278 3558 82
Permian Resources Operating, LLC	300 N. Marienfeld St	STE 1000		Midland	TX	79701	9427 8362 0855 1278 3559 67

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 440665

#### CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	440665
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

Crea By	d Condition	Condition Date
llov	e None	3/19/2025