

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

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Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Brian Wood
brian@permitswest.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9002

SCO Permian, LLC [OGRID 330782]
Jalmat 30 Federal Well No. 1
API No. 30-025-PENDING

Reference is made to your application received on June 16th, 2025.

Surface Location; Vertical Well

Footages	Unit/Lot	Sec.	Twsp	Range	County
1700 FNL & 1410 FWL	F	30	26S	37E	Lea

Proposed Unit

Description	Acres	Pool	Pool Code
SE/4 NW/4 Section 30	40	Scarborough; Yates-Seven Rivers	55560

This vertical well was drilled at an unorthodox well location described above in the referenced pool or formation. This location is governed by statewide rules, which provides for 40-acre units, with wells to be located at least 330 from the QTR/QTR line.

This well's completed interval is as close as 90 feet to the western boundary. Encroachment will impact the following tracts.

Administrative Order NSL - 9002
SCO Permian, LLC
Page 2 of 2

Section 30, encroachment to the SW/4 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 that you are seeking this orthodox location in order to recover new reserves from the least depleted area of the reservoir within the Yates-Seven Rivers formation underlying the SE/4 NW/4 of Section 30.

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



Albert C.S. Chang, PE
Division Director
AC/lrl

Date: 7/25/2025

ID NO. 475146

NSL - 9002

Revised March 23, 2017

RECEIVED: 06/16/25	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: <u>SCO Permian, LLC</u>	OGRID Number: <u>330782</u>
Well Name: <u>Jalmat 30 Fed 1</u>	API: <u>30-025-</u>
Pool: <u>Scarborough; Yates-Seven Rivers</u>	Pool Code: <u>55560</u>

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Brian Wood

Print or Type Name

Signature

6-11-25

Date

505 466-8120

Phone Number

brian@permitswest.com

e-mail Address



**NON-STANDARD LOCATION (NSL) APPLICATION
SCO PERMIAN OPERATING, LLC
JALMAT 30 FED 1
API 30-025-_____
SHL & BHL: 1700' FNL & 1410' FWL 30-26S-37E
LEA COUNTY, NM**

I. This proposed Scarborough; Yates-Seven Rivers (55560) vertical oil well is on private surface and BLM oil and gas lease NMNM-134898 (aka, NMNM-105374864) that includes Lots 2-4, S2NE4, SENW4, E2SW4, & SE4 of 30-22s-35e and all 31-26s-37e. Avant will dedicate the 40.00 acres in Unit Letter F.

The well will be nonstandard because it is 240' too far west. Closest lease lines are 380' north and 1410' west. Closest standard spacing would place the well at 1650' FWL. The APD cover sheet is attached as Exhibit A. Well is nonstandard in order to recover more reserves, The proposed location is between two now P&A wells, but that formerly produced for ≥ 26 years.

II. Exhibit B, Form C-102, shows the wellbore and dedication.

III. Leases are shown on EXHIBIT C. The well encroaches to the west. Offset Lot 2 is part of SCO Permian's lease. This information is current and correct.

IV. Exhibit D shows the proposed NSL well and existing wells. All offset wells are P&A. There are no offset existing dedications.

V. Archaeology is not an issue.

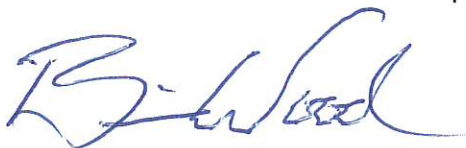
VI. The need is to recover additional reserves and prevent waste.

VII. SCO Permian does not believe drilling at a standard location would recover as many reserves. Eaves B 15 (30-025-23417) is at 1980' FNL & 660' FWL. It produced from 1970 to 1998. Eaves B 1 3 (30-025-12080) is at 1980' FNL & 1980' FWL. It produced from 1962 to 1988. SCO believes its proposed location will recover new reserves from the least depleted area of the reservoir.

VIII. SCO Permian is the lessee of the 40.63-acre dedication (Lot 2 30-26s-37e) toward which the well will encroach. Royalty interests are common.

I hereby attest that I, on or before the date that the application was submitted to the NMOCD, sent notification to the affected persons (see EXHIBIT E) by certified mail, return receipt requested, advising them that if they have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. These affected persons have working or royalty interests in the quarter-quarters toward which the well will encroach. Said notice was sent to:

BLM
SCR Energy Capital
Tap Rock Resources



Brian Wood, Consultant

6-10-25

Date

STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

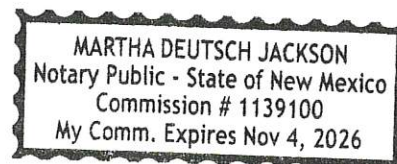
The foregoing instrument was acknowledged before me this 10th day of June 2025 by Brian Wood. Witness my hand and official seal.



Notary Public

My Commission Expires: Nov 4 2026

Business Address: 37 Verano Loop, Santa Fe NM 87508



Form 3160-3
(March 2012)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

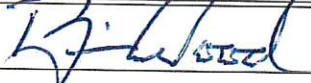
FORM
OMB No. 1004-0137
Expires October 31, 2014**EXHIBIT A**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM-105374864
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator SCO PERMIAN, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 5728 NW 132ND ST. OKLAHOMA CITY, OK 73142		8. Lease Name and Well No. JALMAT 30 FED 1
3b. Phone No. (include area code) 432 559-0648		9. API Well No. 30-025-
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1700' FNL & 1410' FWL At proposed prod. zone SAME		10. Field and Pool, or Exploratory SCARBOROUGH; Yates-Seven Rivers
14. Distance in miles and direction from nearest town or post office* 7 AIR MILES SOUTH OF JAL, NM		11. Sec., T. R. M. or Blk. and Survey or Area SENW 30-26S-37E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 380'	16. No. of acres in lease 776.64	12. County or Parish EDDY
17. Spacing Unit dedicated to this well SENW	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 635' (EAVES B 1 #3)	19. Proposed Depth 3400'	20. BLM/BIA Bond No. on file NMB 106735633
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 2939' UNGRADED	22. Approximate date work will start* 08/31/2025	23. Estimated duration 2 WEEKS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed/Typed) BRIAN WOOD (PHONE: 505 466-8120)	Date 06/05/2025
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Title
CONSULTANT

(FAX: 505 466-9682)

Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	EXHIBIT B	Revised July 9, 2024
			Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-025-	Pool Code 55560	Pool Name SCARBOROUGH; YATES-SEVEN RIVERS
Property Code	Property Name JALMAT 30 FED	Well Number 1
OGRID No. 330782	Operator Name SCO PERMIAN, LLC	Ground Level Elevation 2939.9
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL F	Section 30	Township 26 S	Range 37 E	Lot	Ft. from N/S 1700 NORTH	Ft. from E/W 1410 WEST	Latitude 32.0168372°N	Longitude 103.2059120°W	County LEA
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Bottom Hole Location

UL F	Section 30	Township 26 S	Range 37 E	Lot	Ft. from N/S 1700 NORTH	Ft. from E/W 1410 WEST	Latitude 32.0168372°N	Longitude 103.2059120°W	County LEA
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Dedicated Acres 40.00	Infill or Defining Well N/A	Defining Well API N/A	Overlapping Spacing Unit (Y/N) N	Consolidation Code N/A
Order Numbers. R-29999 (WILL FILE NSL APPLICATION)			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest run leased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order here to fore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the 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 interval will be located or obtained a compulsory pooling order from the division.


Signature
6-6-25
Date

BRIAN WOOD

Printed Name

brian@permitswest.com

Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.


Signature and Seal of Professional Surveyor
FILIMON F. JARAMILLO

Certificate Number

PLS 12797

Date of Survey

MAY 8, 2025

SURVEY NO. 10440

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

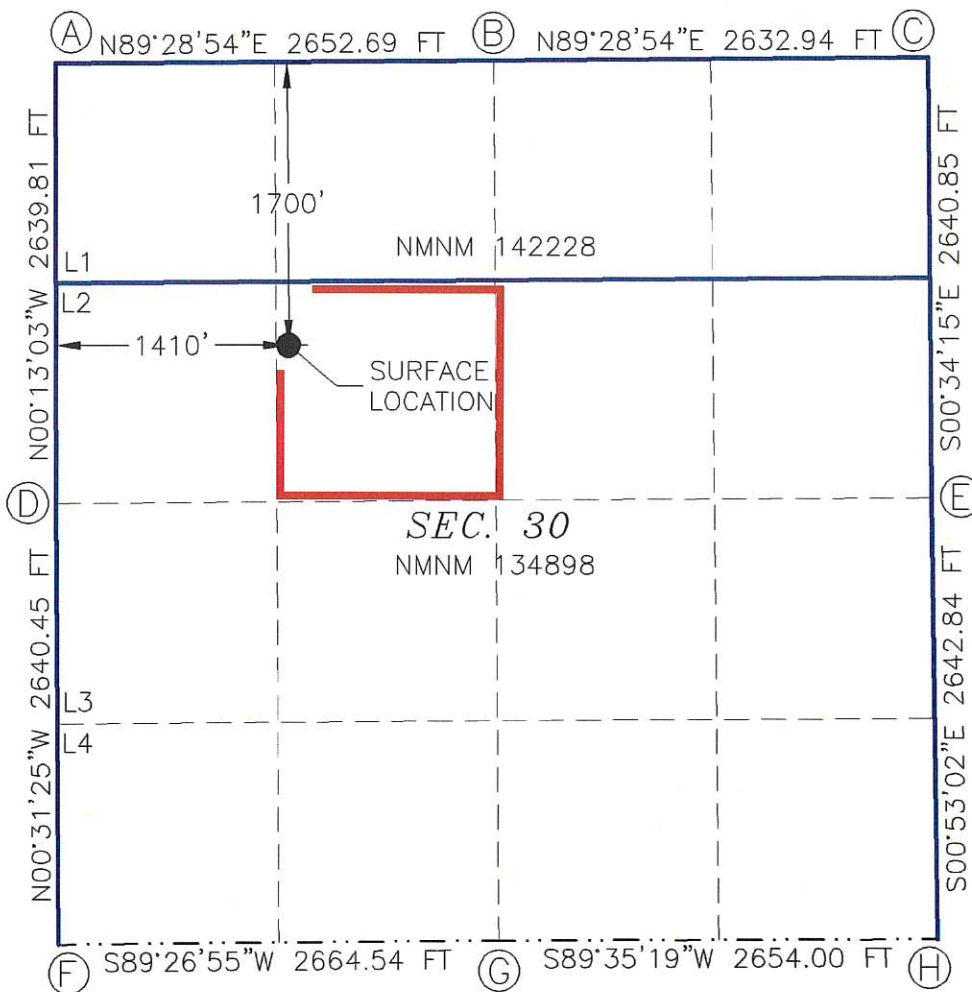
This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operator dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, the section lines in the cardinal directions. 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.

JALMAT 30 FED 1
EL. = 2939.9

GEODETIC COORDINATES
NAD 83 NMSP EAST
SURFACE LOCATION
1700' FNL, 1410' FWL
N.=371687.19
E.=890770.74
LAT.=32.0168372°N
LONG.=103.2059120°W

BOTTOM OF HOLE
1700' FNL, 1410' FWL
N.=371687.19
E.=890770.74
LAT.=32.0168372°N
LONG.=103.2059120°W

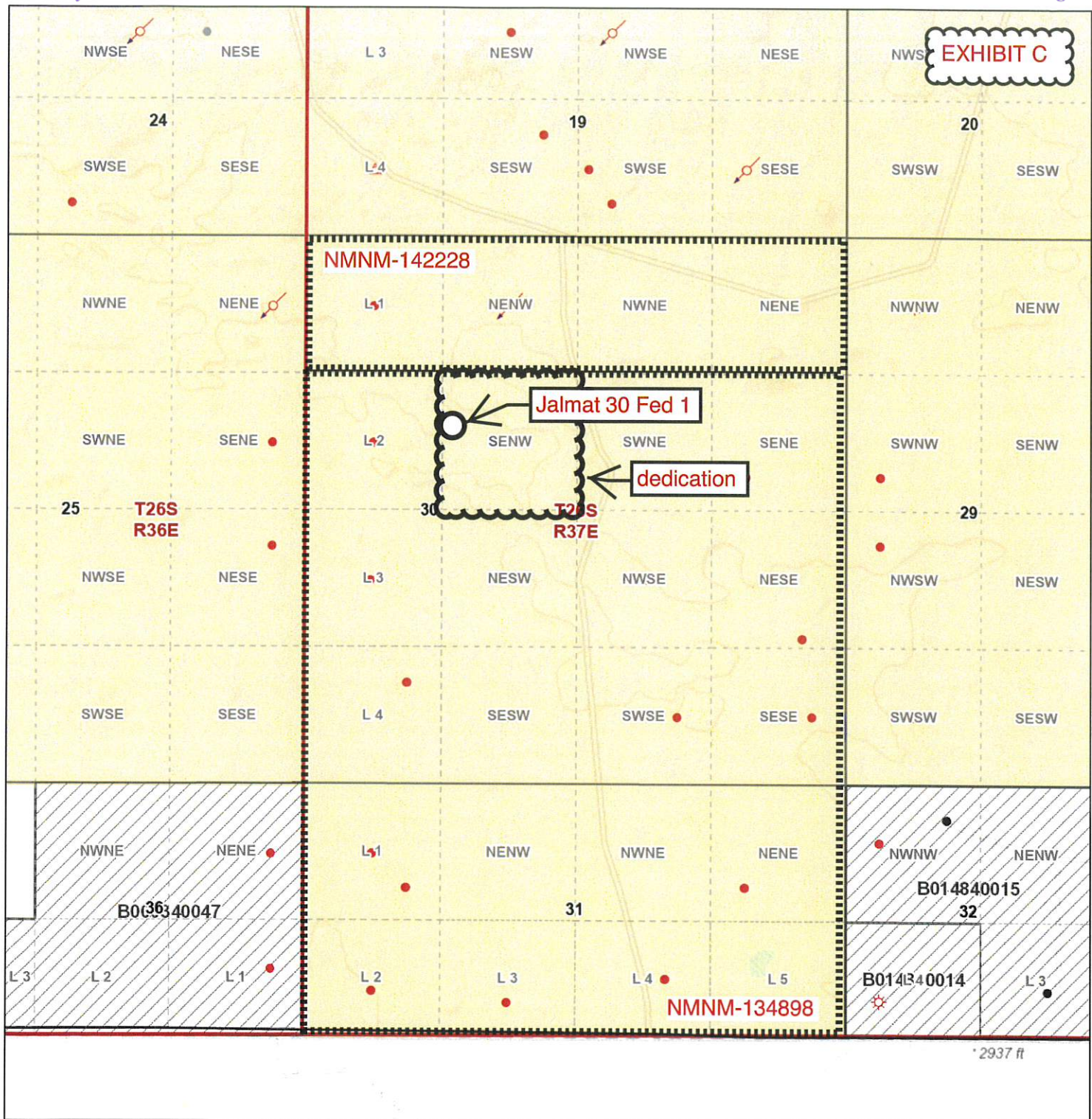


CORNER COORDINATES TABLE

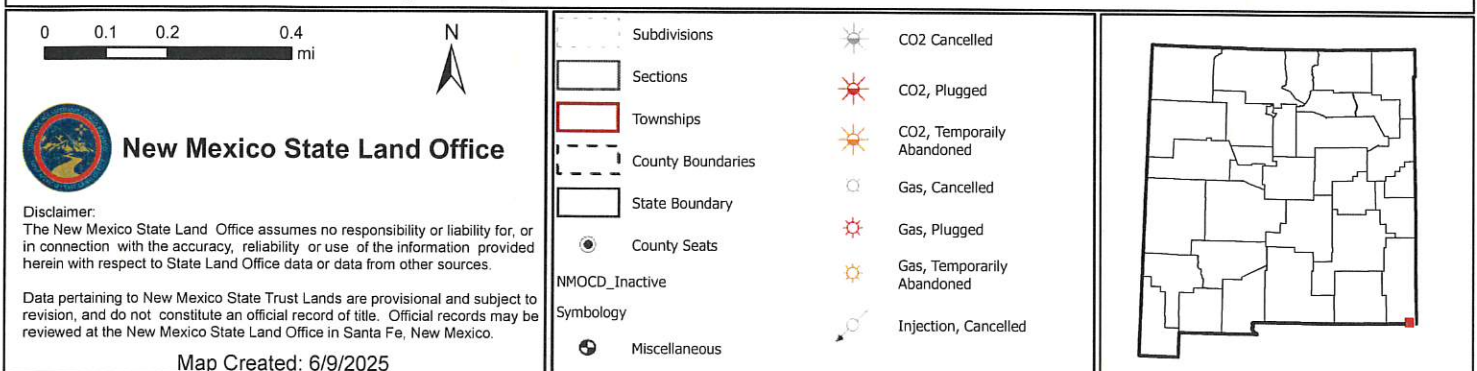
NAD 83 NMSP EAST	
A - N.=373374.31	E.=889354.45
B - N.=373398.31	E.=892006.82
C - N.=373422.12	E.=894639.43
D - N.=370734.74	E.=889364.47
E - N.=370781.62	E.=894665.74
F - N.=368094.62	E.=889388.60
G - N.=368120.26	E.=892052.80
H - N.=368139.31	E.=894706.51

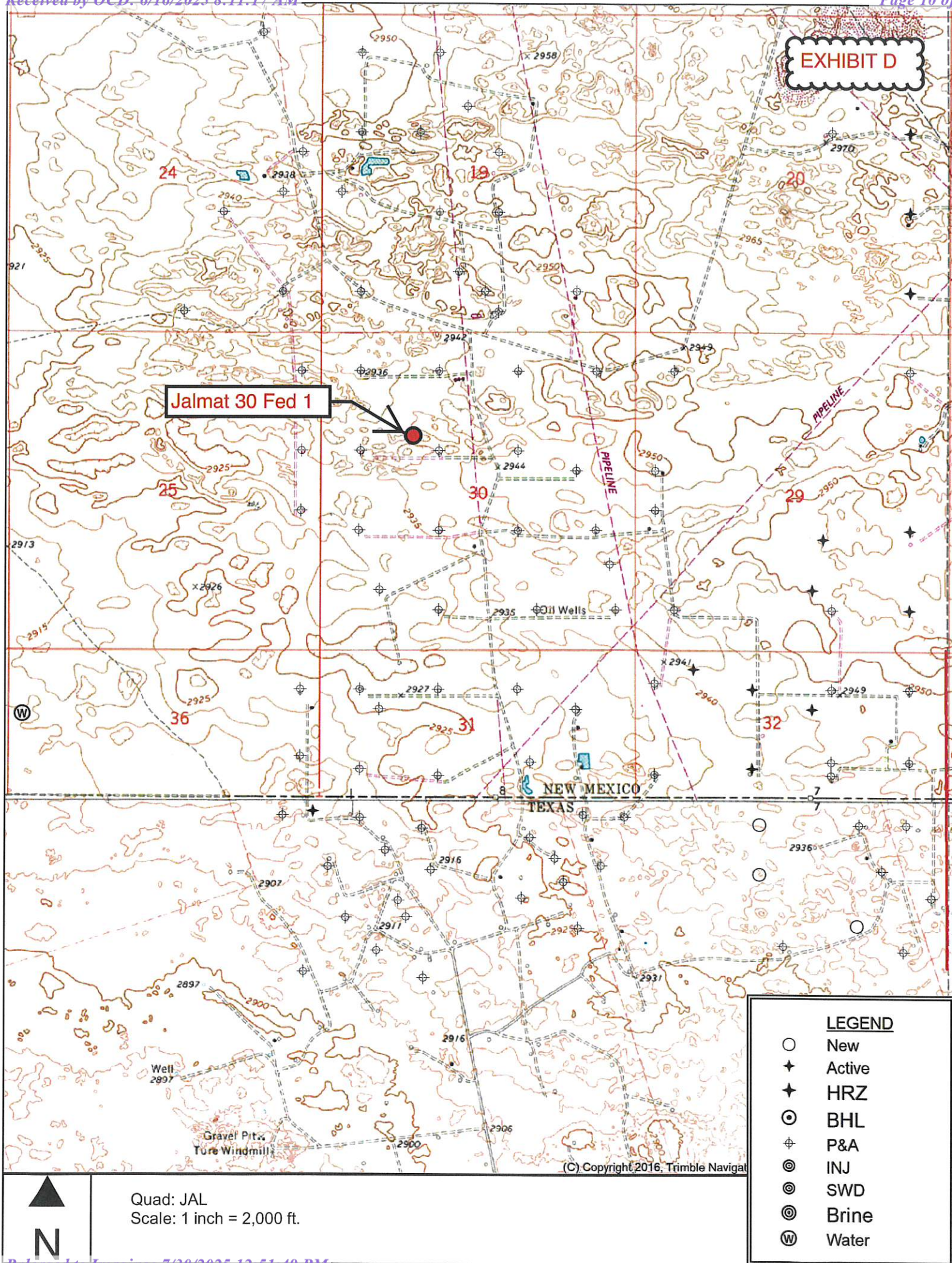
LEGEND

---	SECTION LINE
---	QUARTER LINE
---	LEASE LINE
---	WELL PATH



Oil, Gas, and Minerals Leases and Wells







June 10, 2025

BLM
620 E. Greene St.
Carlsbad NM 88220

TYPICAL NOTICE

As required by New Mexico Oil Conservation Division (NMOCD) Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

SCO Permian, LLC is applying for NSL approval for its Jalmat 30 Fed 1 as a Scarborough; Yates – Seven Rivers (55560) oil well. Minimum NMOCD distance for such an oil well is 330' from the perpendicular dedication boundary. The well is 240' further west than is standard (see attached application) for the Scarborough; Yates – Seven Rivers pool. Thus, it is a nonstandard location.

Well Name: Jalmat 30 Fed 1 TVD: 3400' MD: 3400'

Proposed NSL Zone: Yates – Seven Rivers

NSL Acreage Dedication: 40.00 acres (SENW 30-26s-37e Lea County, NM) on BLM lease NMNM-1105374864, fka NMNM-134898)

Location: 1700' FNL & 1410' FWL 30-26s-37e (7 air miles south of Jal, NM)

Applicant Name: SCO Permian, LLC (432) 559-0648

Applicant's Address: 5728 NW 132nd St., Oklahoma City, OK 73142

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, protest, or question, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr., Santa Fe, NM 87505. Their phone number is (505) 476-3441. Their e-mail address is OCD.Engineer@emnrd.nm.gov

Please call me if you have any questions.

Sincerely,

Brian Wood

9589 0710 5270 0750 2763 70

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EXHIBIT EFor delivery information, visit our website at www.usps.com.

Carlsbad NM 88220

Certified Mail Fee	\$4.35
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage	\$2.04
Total Postage and Fees	\$10.99

Sent To **SCO Jalmat 30 Fed 1**

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

9589 0710 5270 0750 2763 87

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Phoenix MD 21131

Certified Mail Fee	\$4.35
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage	\$2.04
Total Postage and Fees	\$10.99

Sent To **SCR Energy Capital LLC**

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Golden CO 80401

Certified Mail Fee	\$4.35
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage	\$2.04
Total Postage and Fees	\$10.99

Sent To **Tap Rock Resources LLC**

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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 475146

CONDITIONS

Operator: SCO PERMIAN, LLC 5728 NW 132nd Street Oklahoma City, OK 73142	OGRID: 330782
	Action Number: 475146
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	This NSL order was approved with a pending API number well. The owner of the NSL shall update the OCD when an API number is assigned to the pending APD well by sending an e-mail to ocd.engineer@emnrd.nm.gov . TITLED: (Updating NSL-XXX with API number of the Well Name).	7/30/2025