

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Deana M. Bennett
deana.bennett@modrall.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9087

**Chevron U.S.A., Inc. [OGRID 4323]
CO 4 9 Federal Com Well No. 411H
API No. 30-025-53498**

Reference is made to your application received on August 19th, 2025.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2269 FNL & 1533 FEL	G	04	25S	32E	Lea
First Take Point	2615 FSL & 1210 FEL	I	04	25S	32E	Lea
Last Take Point	100 FSL & 1210 FEL	P	09	25S	32E	Lea
Terminus	25 FSL & 1210 FEL	P	09	25S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 Section 04 E/2 Section 09	480	Wildcat; Bone Spring	96715

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 dedicate a horizontal well at 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

Administrative Order NSL - 9087

Chevron U.S.A., Inc.

Page 2 of 2

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 a well within 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 Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 25 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 04, encroachment to the SW/4 NE/4

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 for the greatest recovery of reserves and to prevent waste within the Bone Spring formation underlying SE/4 of Section 04 and the E/2 of Section 09. All while protecting the correlative rights of affected parties within this location.

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.



Albert C.S. Chang
Division Director
AC/lrl

Date: 11/10/2025

ID NO. 497159

NSL - 9087

Revised March 23, 2017

RECEIVED: 08/19/25	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: Chevron U.S.A. Inc. **OGRID Number:** 4323
Well Name: CO 4 9 Federal Com 411H **API:** 30-025-53498
Pool: WC-025 G-08 S253209L; Bone Spring **Pool Code:** 96715

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 holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Deana M. Bennett
Print or Type Name

Deana M. Bennett
Signature

August 19, 2025
Date

505-848-1834
Phone Number

deana.bennett@modrall.com
e-mail Address



MODRALL SPERLING
LAWYERS

August 19, 2025

VIA E-FILING

Deana M. Bennett
505.848.1834
dmb@modrall.com

Director Albert Chang
And
OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 4 9 Federal Com 411H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico

Dear Director Chang /OCD Engineering Bureau:

Pursuant to Division rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Chevron U.S.A. Inc. (“Chevron”) (OGRID No. 4323) seeks administrative approval of an unorthodox well location (“NSL”) for its CO 4 9 Federal Com 411H well (API No. 30-025-53498) (the “Well”) located in the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico, and will be in the WC-025 G-06 S253209L; Bone Spring pool (Pool Code 96715). A C-102 for the Well is attached as Exhibit A.

The horizontal spacing unit to which the Well will be dedicated is described as:

Description	Acres	Pool	Pool Code
E/2 of Section 9 and the SE/4 of Section 4	320	WC-025 G-06 S253209L; Bone Spring	96715

WC-025 G-06 S253209L; Bone Spring Pool is an oil pool subject to the state-wide rules, which establish a 100’ setback requirement for the first and last take points of a well to the outer boundary of the spacing unit. The Well’s **first take point** will be closer than 100’ from the outer boundary of the spacing unit, which requires an NSL approval. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- Surface Hole Location: 2269’ FNL & 1533’ FEL of Section 4-T25S-R32E;
- Bottom Hole Location: 25’FSL & 1210’ FEL of Section 9-T25S-R32E;
- First Take Point: 2615’ FSL & 1210’ FEL of Section 4-T25S-R32E;
- Last Take Point: 100’ FSL & 1210’ FEL of Section 9-T25S-R32E.

The 480-acre, more or less, horizontal spacing unit in which the Well will be located is standard because this Well is a proximity tract well. This Well is a proximity tract well because its completed lateral is closer than 330’ from the quarter quarter section lines in the E/2 of Sections 9 and 4, specifically the completed interval of the CO 4 9 Federal Com 411H well is located 1210’ from the East line of Sections 9 and 4.

Chevron has included as Exhibit B a letter explaining why this application is needed. Chevron also provides a map of the area, attached as Exhibit C, which shows the tracts upon which the unorthodox location will encroach.

As discussed above, the Well's **first take point** will be closer than 100' from the outer boundary of the spacing unit. *See* Exhibit A (C-102). The unorthodox location will encroach towards the S/2NE/4 of Section 4, Township 25 South, Range 32 East.

Chevron is the operator and owns 100% of the working interest in the S/2NE/4 of Section 4, Township 25 South, Range 32 East. Pursuant to Rule 19.15.4.12(A)(2) and Rule 19.15.2.7(A)(3), Chevron is thus only providing notice to the Bureau of Land Management. Proof of mailing along with a copy of the letter sent to the Bureau of Land Management are included in Exhibit D. Chevron's landman has provided a letter confirming the ownership in the S/2NE/4 of Section 4, Township 25 South, Range 32 East, which is included as Exhibit E.

Your attention to this matter is appreciated.

Sincerely,



Deana M. Bennett

Attorney for Chevron U.S.A. Inc.

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-025-53498	Pool Code 96715	Pool Name WC-025 G-06 S253209L; BONE SPRING
Property Code 336238	Property Name CO 4 9 FEDERAL COM	Well Number 411H
OGRID No. 4323	Operator Name CHEVRON U.S.A. INC.	Ground Level Elevation 3489'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" 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	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
G	4	25 SOUTH	32 EAST, N.M.P.M.	N/A	2269' NORTH	1533' EAST	32.160497° N	103.676177° W	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	9	25 SOUTH	32 EAST, N.M.P.M.	N/A	25' SOUTH	1210' EAST	32.137771° N	103.675344° W	LEA

Dedicated Acres 480	Infill or Defining Well DEFINING	Defining Well API 30-025-53498	Overlapping Spacing Unit (Y/N) NO	Consolidation Code P, C
Order Numbers: N/A			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
I	4	25 SOUTH	32 EAST, N.M.P.M.	N/A	2615' SOUTH	1210' EAST	32.159405° N	103.675164° W	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	4	25 SOUTH	32 EAST, N.M.P.M.	N/A	2615' SOUTH	1210' EAST	32.159405° N	103.675164° W	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	9	25 SOUTH	32 EAST, N.M.P.M.	N/A	100' SOUTH	1210' EAST	32.137977° N	103.675344° W	LEA

Unitized Area or Area of Uniform Interest CA PENDING	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3489'
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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 or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore 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.

Cindy Herrera-Murillo 12/17/2024
Signature Date

Cindy Herrera-Murillo

Printed Name

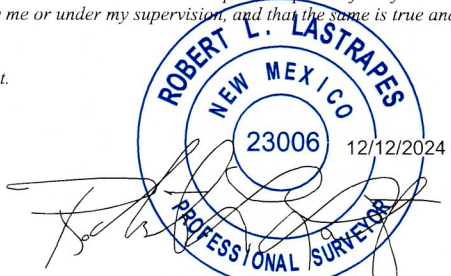
eeof@chevron.com

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.

See Sheet 2 of 2 for plat.



Signature and Seal of Professional Surveyor

Certificate Number Date of \$



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 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.

See Sheet 1 of 2 for notes & certification.

CO 4 9 FEDERAL COM 411H

X = 703,509.18' (NAD27 NM E)
 Y = 422,686.66'
 LAT. 32.160373° N (NAD27)
 LONG. 103.675700° W
 X = 744,694.30' (NAD83/2011 NM E)
 Y = 422,744.82'
 LAT. 32.160497° N (NAD83/2011)
 LONG. 103.676177° W

PROPOSED FIRST TAKE POINT/KOP

X = 703,825.29' (NAD27 NM E)
 Y = 422,291.22'
 LAT. 32.159281° N (NAD27)
 LONG. 103.674686° W
 X = 745,010.42' (NAD83/2011 NM E)
 Y = 422,349.37'
 LAT. 32.159405° N (NAD83/2011)
 LONG. 103.675164° W

PROPOSED MID POINT

X = 703,780.66' (NAD27 NM E)
 Y = 419,675.51'
 LAT. 32.152092° N (NAD27)
 LONG. 103.674882° W
 X = 744,965.91' (NAD83/2011 NM E)
 Y = 419,733.60'
 LAT. 32.152216° N (NAD83/2011)
 LONG. 103.675359° W

PROPOSED LAST TAKE POINT

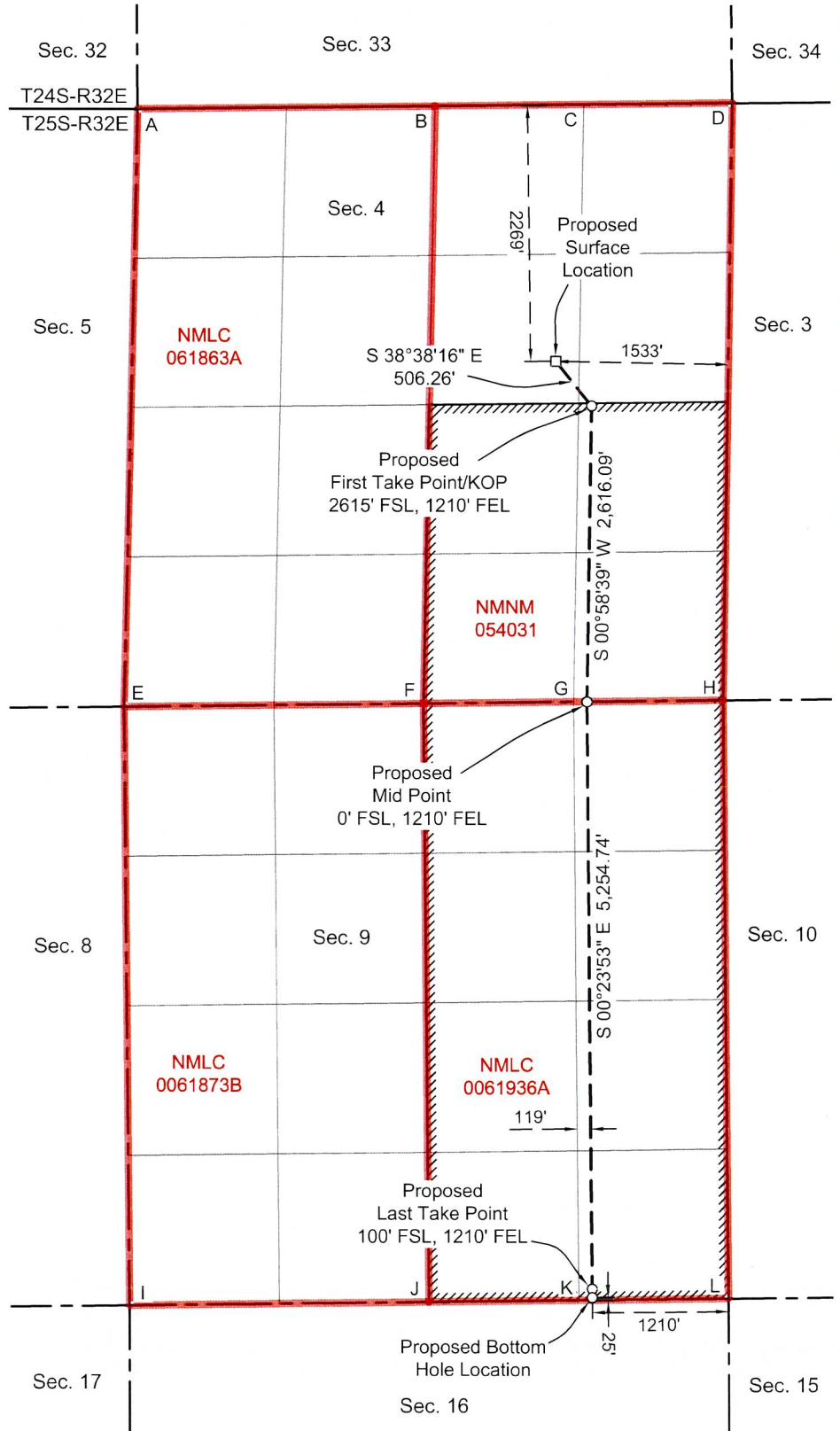
X = 703,816.64' (NAD27 NM E)
 Y = 414,495.90'
 LAT. 32.137853° N (NAD27)
 LONG. 103.674868° W
 X = 745,002.11' (NAD83/2011 NM E)
 Y = 414,553.88'
 LAT. 32.137977° N (NAD83/2011)
 LONG. 103.675344° W

PROPOSED BOTTOM HOLE LOCATION

X = 703,817.16' (NAD27 NM E)
 Y = 414,420.90'
 LAT. 32.137647° N (NAD27)
 LONG. 103.674868° W
 X = 745,002.63' (NAD83/2011 NM E)
 Y = 414,478.88'
 LAT. 32.137771° N (NAD83/2011)
 LONG. 103.675344° W

CORNER COORDINATES TABLE (NAD 27)

- A - X= 699799.62, Y= 424915.87
- B - X= 702440.68, Y= 424944.37
- C - X= 703761.21, Y= 424958.61
- D - X= 705081.74, Y= 424972.86
- E - X= 699671.73, Y= 419627.04
- F - X= 702331.15, Y= 419658.41
- G - X= 703660.87, Y= 419674.10
- H - X= 704990.58, Y= 419689.78
- I - X= 699713.24, Y= 414345.61
- J - X= 702370.25, Y= 414378.17
- K - X= 703698.75, Y= 414394.45
- L - X= 705027.26, Y= 414410.73



T:\2021\2213478\DWG\CO 4 9 Federal Com 411H_C-102.dwg



Mark Behl
Reservoir Engineer

August 5, 2025

VIA E-FILING

Acting Director Gerasimos Razatos
and OCD Engineering Bureau
Oil Conservation Division
Energy, Minerals and Natural Resource Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Non-Standard Location Application
CO 4 9 FEDERAL COM 411H
Lea County, New Mexico

Dear Director Razatos/OCD Engineering Bureau:

Chevron U.S.A. Inc. ("Chevron"), OGRID No. 4323, respectfully requests administrative approval of a non-standard location ("NSL") for the following wells (the "Well"):

- CO 4 9 FEDERAL COM 411H (API No. 30-025-53498)

The Well will be completed within the WC-025 G-06 S253209L; BONE SPRING (Pool Code: 96715).

Chevron is requesting non-standard location approval for the Well because the first take point of the Well will be less than 100' from the outer boundary of the horizontal spacing unit. The completed interval and last take point for the Wells are standard. Allowing Chevron to complete the well at this non-standard location will result in the greatest recovery of reserves from the unit and will reduce waste.

Thank you for your consideration. Should you have any questions. please contact me at mark.behl@chevron.com or (432) 664-9575.

Feel free to contact me if you have any questions or concerns.

Sincerely,

Mark Behl
Reservoir Engineer

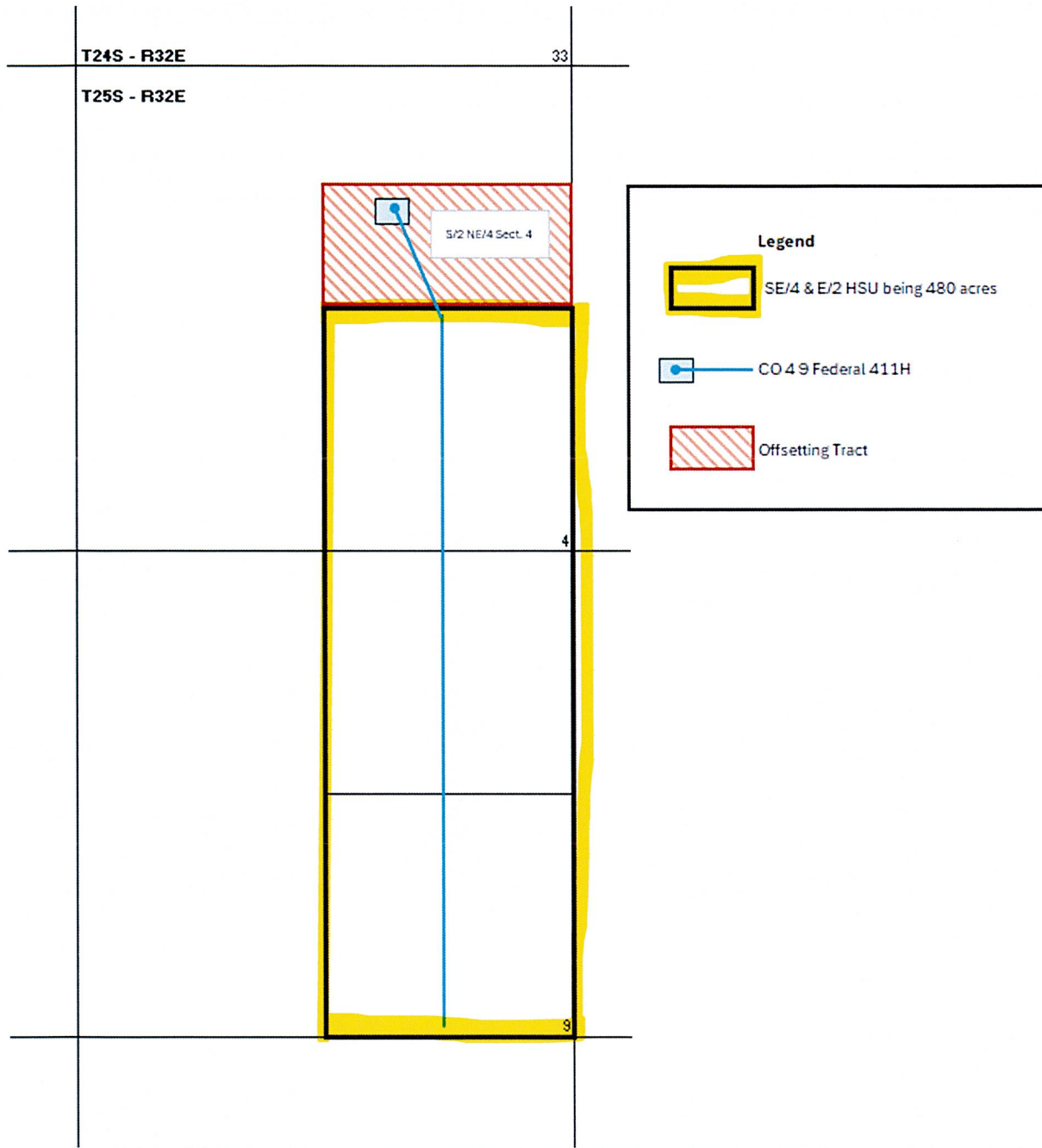
Mid-Continent Business Unit
North America Exploration and Production Company
Chevron U.S.A. Inc.
6301 Deauville Blvd., Midland, Texas 79706
Tel 432 664-9575 Fax 866 908-3881
Mark.behl@chevron.com



Offset Operators and WI Owners

NSL Well: CO 4 9 Federal Com 411H (30-025-53498)

Pool Code: [96715] WC-025 G-06 S253209L; BONE SPRING



Offsetting Tract in Township 25 South, Range 32 East:

S/2 NE/4 Section 4:

Operator/Working Interest Owner:

Chevron U.S.A. Inc. (100% WI)

Federal/State Mineral Interest Owner:

Bureau of Land Management





MODRALL SPERLING
LAWYERS

August 19, 2025

VIA CERTIFIED MAIL

Deana M. Bennett
505.848.1834
dmb@modrall.com

TO AFFECTED PARTIES

RE: Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 4 9 Federal Com 410H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico

Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 4 9 Federal Com 411H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico

Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 4 9 Federal Com 412H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Mark Behl
Reservoir Engineer
Chevron U.S.A. Inc.
mark.behl@chevron.com

Sincerely,

Deana M. Bennett
Attorney for Chevron U.S.A. Inc.

Modrall Sperring
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
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New Mexico 87103-2168

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Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
08/19/2025

Firm Mailing Book ID: 294492

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0138 8200 62	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$2.72	\$5.30	\$2.82	\$0.00	83420.0050 Chevron 410H, 411H, 412H
Totals:			\$2.72	\$5.30	\$2.82	\$0.00	
			Grand Total:		\$10.84		

List Number of Pieces Received at Post Office Postmaster: Dated:
Listed by Sender Name of receiving employee



August 18, 2025

VIA EMAIL

OCD Engineering Bureau
Oil Conservation Division
Energy, Minerals and Natural Resource Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Non-Standard Location Application
CO 4 9 Federal Com 410H
Lea County, New Mexico

Non-Standard Location Application
CO 4 9 Federal Com 411H
Lea County, New Mexico

Non-Standard Location Application
CO 4 9 Federal Com 412H
Lea County, New Mexico

Dear OCD Engineering Bureau:

I am a landman for Chevron U.S.A. Inc. ("Chevron"). Chevron has requested administrative approval of non-standard locations ("NSL") for the CO 4 9 Federal Com 410H, CO 4 9 Federal Com 411H, and CO 4 9 Federal Com 412H wells (the "Wells"). As noted in the NSL application materials for these Wells, the Wells unorthodox location for the first take point will encroach towards the S/2NE/4 of Section 4, Township 25 South, Range 32 East.

As a landman for Chevron, I have knowledge of the ownership of the S/2NE/4 of Section 4, Township 25 South, Range 32 East. I confirm that Chevron is the operator and owns 100% of the working interest in the S/2NE/4 of Section 4, Township 25 South, Range 32 East, which is the tracts upon which the Wells will encroach.

Thank you for your consideration.

Sincerely,

Nicholas Angelle
Land Representative

North America Exploration and Production Company
Chevron U.S.A. Inc.
6301 Deauville Blvd., Midland, Texas 79706
Tel 713 372 3026 Fax 866 908-3881
nicholasangelle@chevron.com



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 497159

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 497159
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/2/2025