

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Erin Taylor
Acting Cabinet Secretary

Ben Shelton
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Darin C. Savage
darin@abadieschill.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9434

**WPX Energy Permian, LLC [OGRID 246289]
French 22 Federal Well No. 121H
API No. 30-015-PENDING**

Reference is made to your application received on July 27th, 2026.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	276 FNL & 2177 FWL	C	22	26S	29E	Eddy
First Take Point	100 FNL & 2310 FWL	C	22	26S	29E	Eddy
Last Take Point	100 FNL & 990 FWL	D	22	26S	29E	Eddy
Terminus	20 FNL & 990 FWL	D	22	26S	29E	Eddy

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 Section 22	320	Corral Canyon; Bone Spring, South	13354

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 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

Administrative Order NSL - 9434
WPX Energy Permian, LLC
Page 2 of 2

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 less than 330 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 27, 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 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 due to a theta line distance from a BLM survey of an irregular section line resulting in an unorthodox location. Approval will maximize recovery and prevent waste within the Bonespring formation underlying W/2 Section 22.

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

8/28/26
Date: _____

ID NO. 608369

NSL - 9434

Revised March 23, 2017

RECEIVED: 07/27/26	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>WPX Energy Permian, LLC</u>	OGRID Number: <u>246289</u>
Well Name: <u>French 22 Fed 121H</u>	API: <u>PENDING</u>
Pool: <u>CORRAL CANYON; BONE SPRING, SOUTH</u>	Pool Code: <u>13354</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.

Darin C. Savage

Print or Type Name

/s/ Darin C. Savage

Signature

July 24, 2026

Date

970-385-4401

Phone Number

darin@abadieschill.com

e-mail Address



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Nebraska	Kansas
Montana	Wyoming
Oklahoma	California
	North Dakota

July 27, 2026

VIA ONLINE FILING

Albert C.S. Chang, Director
Oil Conservation Division
New Mexico Department of Energy
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Technical Examiner

Re: WPX Energy Permian, LLC
Request for Administrative Approval of an Unorthodox Well Location

French 22 Fed 121H Well
Section 22,
Township 26 South, Range 29 East,
Eddy County, New Mexico
Corral Canyon; Bone Spring, South; Pool Code [13354]
API No. Pending

Dear Director Chang:

In accordance with Division Rule 19.15.16.15(C)(6) NMAC as informed by 19.15.15.13 NMAC, WPX Energy Permian, LLC ("WPX"), OGRID No. 236289, seeks administrative approval of an unorthodox well location ("NSL") for the French 22 Fed 121H Well. The Well is proposed to be located within the Corral Canyon; Bone Spring, South [Pool Code: 13354], underlying a standard 320-acre, more or less, horizontal spacing unit, comprised of the W/2 of Section 22, Township 26 South, Range 29 East, Eddy County, New Mexico.

Section 22 is an irregularly shaped section causing the base line of the section to be slanted downward at an angle from left to right. Because this is federal land in the state of New Mexico, the BLM is wanting to use a certain survey convention to level the base of the section and unit by inserting a "theta" line across the bottom of the section, which creates a substantial amount of space between the theta line and the base line of the section and unit. As a result, when WPX uses the theta line as the reference line for the 330' setback to position the U-turn lateral in a standard location, it pushes the setback farther away from the actual section line and unit boundary than the 330' setback and causes about six (6) net mineral acres between the theta line and the unit line to be stranded and wasted. As a result, WPX wants to optimize recovery and prevent waste by using the actual section line and unit boundary as a reference for the 330' setback instead of the theta line.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

By making this adjustment, location of the 121H Well will be unorthodox because points along the interval of the curve in the U-turn well will be less than the required 330' from the theta line, which is the line the BLM uses to measure the setback distance. An engineering statement is attached as **Exhibit A** that provides the reasons and explains the need for the unorthodox well location. Although unorthodox in location in relation to the theta line, the location of the well still maintains a 330' setback from the actual section line and unit boundary. The BLM is requiring WPX to seek approval from the OCD of the well's location due to the irregularity of Section 22.

Exhibit B is a Form C-102 showing the location of the French 22 Fed 121H Well, Corral Canyon; Bone Spring, South; Pool Code [13354] in relation to the offset unit. This pool is designated as an oil pool and statewide rules apply. The "theta" line located above the slanted section line is represented in the C-102's illustration of the unit.

Exhibit C is a plat for the subject area and unit, that shows the general location of the proposed French 22 Fed 121H Well, and the location and identity of the offset operator in the adjoining units.

On or before submission of this application, notice was provided to the affected persons as described herein pursuant to Rules 19.15.16.15(C)(6) NMAC, 19.15.15.13 (B), (C), and (D) NMAC, and 19.15.2.7(A)(8) NMAC. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as **Exhibit D**.

Your consideration in this matter is appreciated.

Sincerely,

Abadie & Schill, PC

/s/Darin C. Savage

Darin C. Savage

Attorney for WPX Energy Permian, LLC

Mr. Leonard Lowe
Oil Conservation Division
New Mexico Department of Energy
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Application for Non-standard Location
Engineering Statement
French 22 Fed 121H & 331H Wells (the "Wells")
W/2 of Section 22-T26S-R29E
Eddy County, New Mexico

Dear Mr. Lowe:

WPX Energy Permian, LLC, ("WPX") respectfully requests administrative approval of a non-standard location for the French 22 Fed 121H & 331H Wells. These Wells are U-turn wells located in a unit comprised of the W/2 of Section 22-T26W-R29E. Section 22 is an irregularly shaped section that results a slanted and inclined line at the southern boundary of the section and unit. Under its survey guidelines for irregular sections, the BLM considers the southern boundary for setback purposes to be a level "theta" line drawn above the slanted section line, not the actual section line, and measures the 330' setback for a standard location from the theta line. However, if WPX locates the 330' setback of the wells from the imposed theta line instead of the actual section line, then more than six (6) net acres of oil and gas production will be stranded and wasted, resulting in a substantial loss of hydrocarbons. WPX has an obligation and duty under the Oil & Gas Act and its rules to prevent waste and optimize production, and therefore, WPX is requesting approval to locate the well closer than 330' from the theta line, which would allow WPX to produce the acreage that would otherwise be stranded.

Sincerely,

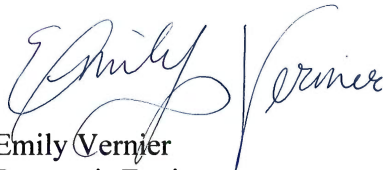

Emily Vernier
Reservoir Engineer

EXHIBIT
A

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
		☐ As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 13354	Pool Name CORRAL CANYON; BONE SPRING, SOUTH
Property Code	Property Name FRENCH 22 FED	Well Number 121H
OGRID No. 246289	Operator Name WPX ENERGY PERMIAN, LLC.	Ground Level Elevation 2924.2'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	22	26-S	29-E		276' N	2177' W	32.034311	103.973615	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	22	26-S	29-E		20' N	990' W	32.035176	103.977454	EDDY

Dedicated Acres 320.00	Infill or Defining Well DEFINING	Defining Well API SUBJECT WELL (French 22 121H)	Overlapping Spacing Unit (Y/N) N	Consolidation Code U
Order Numbers PENDING NSL			Well setbacks are under Common Ownership: ☒ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	22	26-S	29-E		50' N	2310' W	32.034915	103.973192	EDDY

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
C	22	26-S	29-E		100' N	2310' W	32.034777	103.973190	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
D	22	26-S	29-E		100' N	990' W	32.034956	103.977452	EDDY

Unitized Area or Area of Special Interest YES	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: N/A
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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.

Brad Roberts 7/22/2026

Signature Date

BRAD ROBERTS

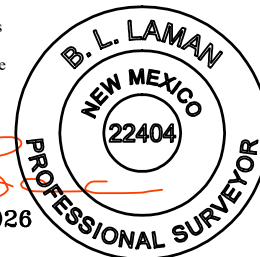
Printed Name
BRAD.ROBERTS@DVN.COM

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 supervision, and that the same is true and correct to the best of my belief.

B.S. Roberts
07/17/2026



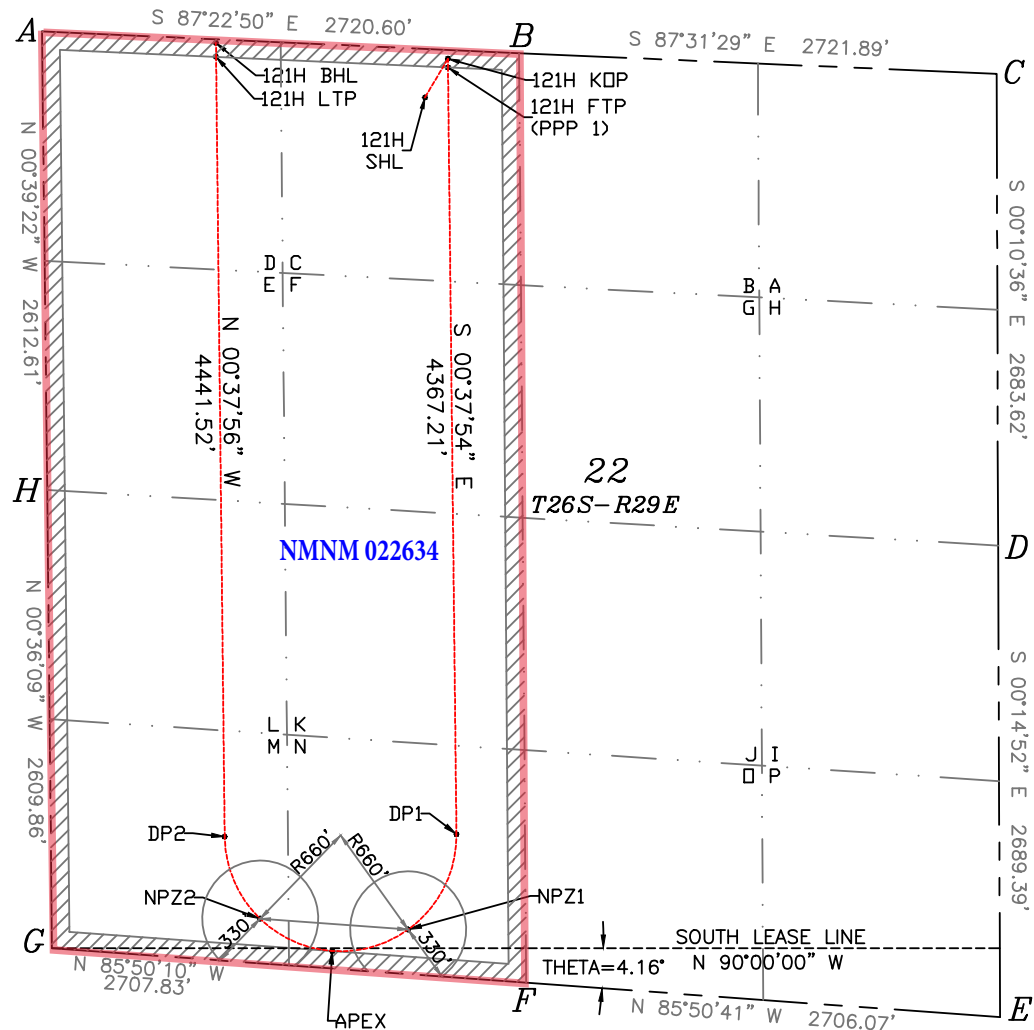
Signature and Seal of Professional Surveyor

Certificate Number
22404

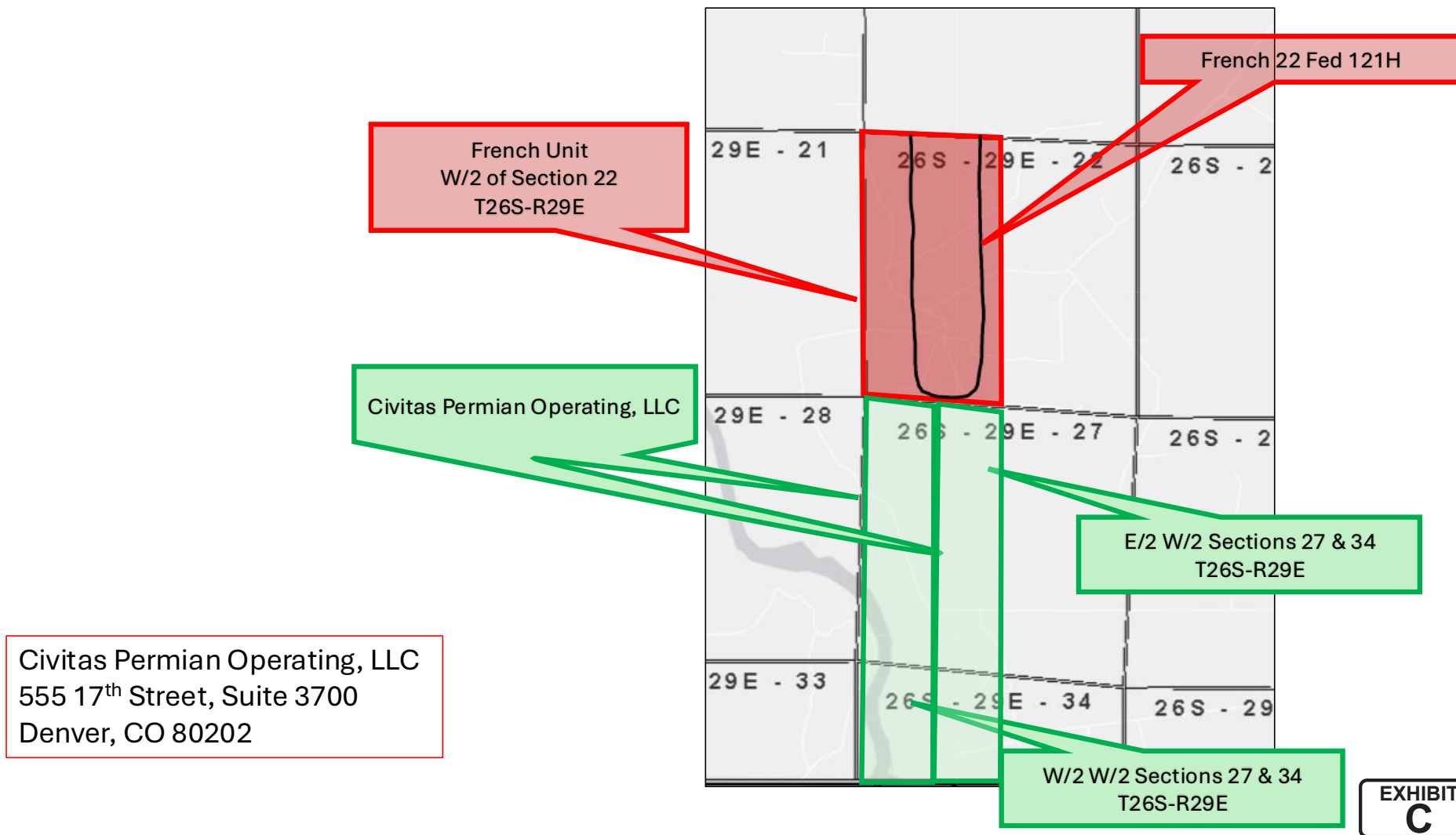
Date of Survey
11/2024

EXHIBIT
B

SURFACE HOLE LOCATION GEODETIC COORDINATES NAD 83 NMSP EAST SURFACE LOCATION 276' FNL 2177' FWL SECTION 22 EL: 2924.2' N:376406.32/E:652804.59 LAT:32.034311/LON:103.973615
KICK OFF POINT 50' FNL 2310' FWL SECTION 22 N:376626.59/E:652935.07 LAT:32.034915/LON:103.973192
FIRST TAKE POINT (PPP 1) 100' FNL 2310' FWL SECTION 22 N:376576.51/E:652935.65 LAT:32.034777/LON:103.973190
DEFLECTION POINT (DP1) 817' FSL 2310' FWL SECTION 22 N:372209.57/E:652983.80 LAT:32.022772/LON:103.973082
NON PERF. ZONE (NPZ1) 254' FSL 2029' FWL SECTION 22 N:371666.57/E:652708.86 LAT:32.021282/LON:103.973975
APEX 100' FSL 1595' FWL SECTION 22 N:371544.37/E:652275.91 LAT:32.020950/LON:103.975373
NON PERF. ZONE (NPZ2) 254' FSL 1186' FWL SECTION 22 N:371728.01/E:651865.21 LAT:32.021459/LON:103.976697
DEFLECTION POINT (DP2) 707' FSL 990' FWL SECTION 22 N:372195.68/E:651663.87 LAT:32.022746/LON:103.977341
LAST TAKE POINT 100' FNL 990' FWL SECTION 22 N:376636.94/E:651614.87 LAT:32.034956/LON:103.977452
BOTTOM HOLE LOCATION 20' FNL 990' FWL SECTION 22 N:376717.06/E:651613.95 LAT:32.035176/LON:103.977454



A=N:376782.41 E:650623.13
B=N:376658.07 E:653340.89
C=N:376540.52 E:656060.25
D=N:373856.91 E:656068.51
E=N:371167.55 E:656080.14
F=N:371363.63 E:653381.18
G=N:371560.25 E:650680.50
H=N:374169.97 E:650653.05



WPX French 22 Fed 121H NSL Notice List							
Tracking Number	Date Mailed	Type	Name	Address	City	State	Zip
9414809898643084484069	7/27/2026	BLM	Bureau of Land Management	620 E. Green Street	Carlsbad	NM	88220
9414809898643084484168	7/27/2026	BLM	Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
9414809898643084484342	7/27/2026	Offset Operator	Civitas Permian Operating, LLC	555 17th Street, Suite 3700	Denver	CO	80202

EXHIBIT
D



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Nebraska	Kansas
Montana	Wyoming
Oklahoma	California
	North Dakota

July 27, 2026

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS/PARTIES

Re: WPX Energy Permian, LLC
Application for Administrative Approval of an Unorthodox Well Location
French 22 Fed 121H Well

To the Parties/Persons this may concern:

Enclosed is a copy of the administrative application requesting approval of unorthodox well location ("NSL") for the French 22 Fed 121H Well. The Well is proposed to be located within the Corral Canyon; Bone Spring, South [Pool Cool: 13354], underlying a standard 320-acre, more or less, horizontal spacing unit, comprised of the W/2 of Section 22, Township 26 South, Range 29 East, Eddy County, New Mexico.

You are being notified in your capacity as a person or party in an adjoining tract or unit pursuant to our application for approval of an unorthodox location of the above-referenced well. Any objection to this application must be filed in writing (by email or letter) within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division ("NMOCD"), whose mailing address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. This application was filed with and received by the NMOCD either on the date of this letter or no later than two (2) days after the date of this letter. Email correspondence for this matter can be sent to the Division at OCD.Engineer@emnrd.nm.gov.

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

Tim Prout – Land Advisor, WPX Energy Permian, LLC
Email: Tim.Prout@dvn.com
Office Phone: (405) 552-6113

If you have no objections to these applications, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

Abadie & Schill, PC

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

/s/Darin C. Savage
Darin C. Savage

Attorney for WPX Energy Permian, LLC

Waiver

_____ hereby waives objection to the above referenced Application for an unorthodox well location (“NSL”) for the French 22 Fed 121H Well, located in the W/2 of Section 22, Township 26 South, Range 29 East, Corral Canyon; Bone Spring, South Pool; Pool Code [13354], Eddy County, New Mexico.

Dated: _____

Signature: _____

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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/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 608369

CONDITIONS

Operator: WPX Energy Permian, LLC Devon Energy - Regulatory Oklahoma City, OK 73102	OGRID: 246289
	Action Number: 608369
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/3/2026