NSL - 8676

| ID NO. 2 | 279317 |
|----------|--------|
|----------|--------|

RECEIVED: 10/25/23

REVIEWER:

TYPE:

APP NO:

pLEL2329958741

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



| | AMORNAMON OF |
|---|---|
| ADMINISTRATIVE APP | LICATION CHECKLIST |
| THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIV REGULATIONS WHICH REQUIRE PROCESSI | /E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND ING AT THE DIVISION LEVEL IN SANTA FE |
| Applicant: XTO Permian Operating, LLC | OGRID Number: 373075 |
| Well Name: Poker Lake Unit 21 DTD 176H | API: 30-015-50199 |
| Pool: WC-015 2330S16 J Wolfcamp and Purple Sage; Wolfcamp | Pool Code: 98268 & 98220 |
| | I REQUIRED TO PROCESS THE TYPE OF APPLICATION ED BELOW |
| 1) TYPE OF APPLICATION: Check those which appl A. Location – Spacing Unit – Simultaneous De NSL NSP _(PROJECT AREA) | • |
| B. Check one only for [1] or [1] [1] Commingling – Storage – Measuremer DHC CTB PLC PC [11] Injection – Disposal – Pressure Increase WFX PMX SWD IPI | □ols □olm |
| 2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, reve C. Application requires published notice D. Notification and/or concurrent approva E. Notification and/or concurrent approva F. Surface owner G. For all of the above, proof of notification H. No notice required | nue owners al by SLO al by BLM Notice Complete Application Content Complete |
| 3) CERTIFICATION: I hereby certify that the informal administrative approval is accurate and complete understand that no action will be taken on this anotifications are submitted to the Division. | ete to the best of my knowledge. I also |
| Note: Statement must be completed by an indiv | idual with managerial and/or supervisory capacity. |
| | October 19, 2023 |
| Paula M. Vance | Date |
| Print or Type Name | |
| | 505-954-7286 |
| Pakhir | Phone Number |
| A Marie of the Atlanta | pmvance@hollandhart.com |
| Signature | e-mail Address |



Paula M. Vance Associate Phone (505) 954-7286 PMVance@hollandhart.com

October 19, 2023

VIA ONLINE FILING

Dylan Fuge, Division Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: XTO Permian Operating, LLC

Request for Administrative Approval of Unorthodox Well Location

Poker Lake Unit 21 DTD 176H well E/2 Section 33, Township 23 South, Range 30 East, and E/2 Sections 4, 9, and 16, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico WC-015 2330S16 J Wolfcamp [98268] and Purple Sage; Wolfcamp [98220] API No. 30-015-50199

Dear Mr. Fuge:

XTO Permian Operating, LLC ("XTO") (OGRID No. 373075), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the WC-015 2330S16 J Wolfcamp [98268]¹, seeks administrative approval of an unorthodox well location for its **Poker Lake Unit 21 DTD 176H** well (API No. 30-015-50199), in a 1280.75-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 33, Township 23 South, Range 30 East, and the E/2 of Sections 4, 9, and 16, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

The proposed location for the **Poker Lake Unit 21 DTD 176H** gas well is as follows:

- SHL: 1,127' FNL and 1,396' FEL (Unit B) of Section 21, T24S-R30E
- FTP: 100' FSL and 550' FEL (Unit P) of Section 21, T24S-R30E
- LTP: 100' FNL and 550' FEL (Unit A) of Section 33, T23S-R30E
- BHL: 50' FNL and 550' FEL (Unit A) of Section 33, T23S-R30E

¹ The first take point is within the unitized area; therefore, the setbacks prescribed by Subsection C of 19.15.16.15 NMAC apply only to the outer boundaries of the unitized area. *See* 19.15.16.15.C.7 NMAC.

Since the acreage in Section 33, Township 23 South, Range 30 East, is governed by the Division's statewide gas rules, the projected last take point for this well will be unorthodox because it is closer than the standard offset to the northern boundary of the spacing unit/unitized area—thus, encroaching on the tracts encompassing the E/2 of Section 28, Township 23 South, Range 30 East.²

XTO respectfully requests administrative approval of a non-standard location for the **Poker** Lake Unit 21 DTD 176H and provides the following reason for the request: Approval of the unorthodox, completed last take point is necessary to allow XTO to maximize recovery and prevent waste.

Exhibit A are the Form C-102s outlining the dedicated acreage for each pool the well penetrates, which show the proposed Poker Lake Unit 21 DTD 176H well encroaches on the tracts to the north in the E/2 of Section 28, Township 23 South, Range 30 East.

Exhibit B is a plat for the subject area, that shows the proposed Poker Lake Unit 21 DTD 17H well in relation to the adjoining tracts to the north. The affected working interest owners in the tracts to the north include ConocoPhillips Company, Devon Energy Production Company, L.P., and WPX Energy Permian, LLC. In addition, the exhibit identifies that this includes State Land Office ("SLO") and Bureau of Land Management ("BLM") leases. Accordingly, the "affected persons" are ConocoPhillips Company, Devon Energy Production Company, L.P., WPX Energy Permian, LLC, SLO, and BLM.

Exhibit C is a spreadsheet listing all affected persons requiring notice and includes tracking information demonstrating that each of the affected persons requiring notice was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

| Type | Affected Party | Location |
|---------|----------------------------------|-----------------------------------|
| WIO | ConocoPhillips Company | SE/4, S/2 NE/4 and NW/4 NE/4 of |
| | | Section 28 T23S-R30E |
| WIO | Devon Energy Production Company, | NE/4 NE/4 Section 28 T23S-R30E |
| | L.P. | |
| WIO | WPX Energy Permian, LLC | SE/4 and S/2 NE/4 of Section 28 |
| | | T23S-R30E |
| Mineral | SLO | NE/4 NE/4 of Section 28 T23S-R30E |
| Mineral | BLM | SE/4 and S/2 NE/4 of Section 28 |
| | | T23S-R30E |

² Because a portion of the well penetrates the Purple Sage; Wolfcamp, XTO has elected to use 320-acre building blocks; however, XTO has been advised by the Division that the statewide rules for gas wells apply to the setbacks. ³ See NMAC §§ 19.15.2.7.A(8) [defining "affected persons" as, "in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner"] and 19.15.4.12.A(2)(a).

Colorado

Nevada New Mexico

Washington, D.C. Wyoming

Your attention to this matter is appreciated.

Sincerely,

Paula M. Vance

Patriva

ATTORNEY FOR XTO PERMIAN OPERATING, LLC

District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr. Santa Fe. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

Α

WELL LOCATION AND ACREAGE DEDICATION PLAT

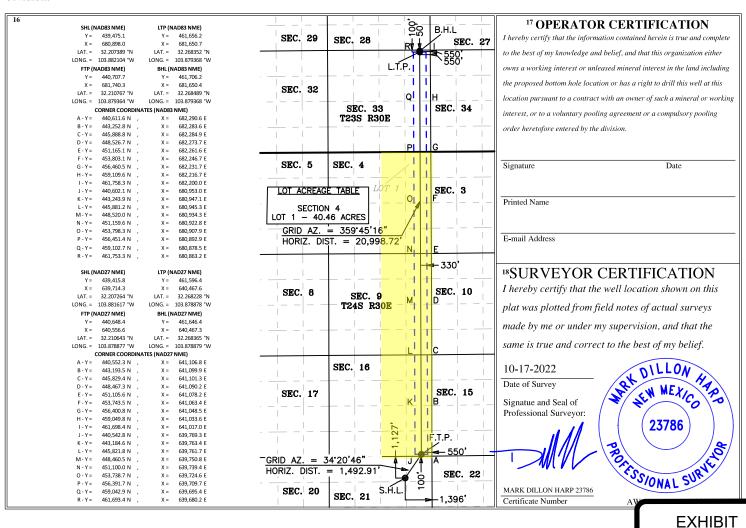
| | ¹ API Number 30-015-50199 | | Purple Sage; Wolfca | amp | | | |
|----------------------------|---|----------------------------|---------------------|-----|--|--|--|
| ⁴ Property Code | | ⁶ Well Number | | | | | |
| | | POKER LAKE UNIT 21 DTD | | | | | |
| ⁷ OGRID No. | | ⁸ Operator Name | | | | | |
| 373075 | | XTO PERMIAN OPERATING, LLC | | | | | |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
|---------------|---------|----------|--------|----------|---------------|------------------|---------------|----------------|--------|--|
| В | 21 | 24 S | 30 E | | 1,127 | NORTH | 1,396 | EAST | EDDY | |
| | | | 11 Bot | ttom Hol | e Location It | Different Fron | n Surface | | | |

| | | | 20 | | e Boeamon n | Different Free | n sarrace | | |
|--------------------|--|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| A | 33 | 23 S | 30 E | | 50 | NORTH | 550 | EAST | EDDY |
| 12 Dedicated Acres | 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. | | | | | | | | |
| 960.75 | | | | | | | | | |

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.



District I

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811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

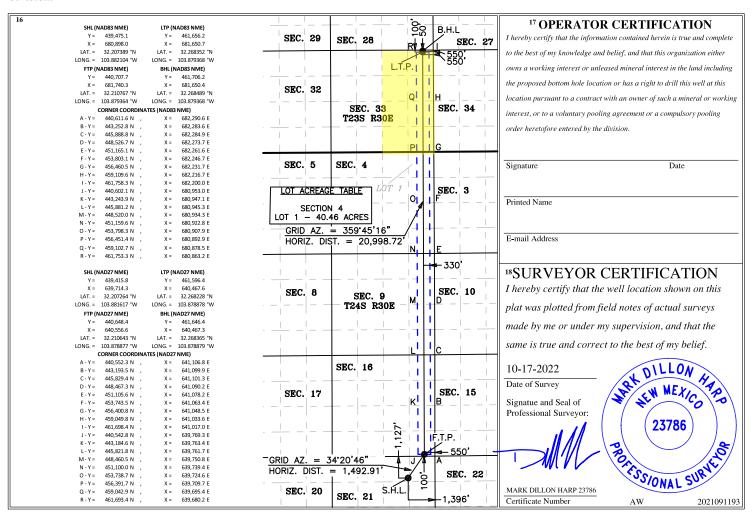
| ¹ API Number 30-015-50199 | | ² Pool Code 98268 | ³ Pool Name WC-015 2330S16 J W | OLFCAMP | | | |
|---|-----------------------------------|---------------------------------|--|---------|--|--|--|
| ⁴ Property Code | | ⁶ Well Number | | | | | |
| | | 176H | | | | | |
| ⁷ OGRID No. | | ⁸ Operator Name | | | | | |
| 373075 | XTO PERMIAN OPERATING, LLC 3,376' | | | | | | |

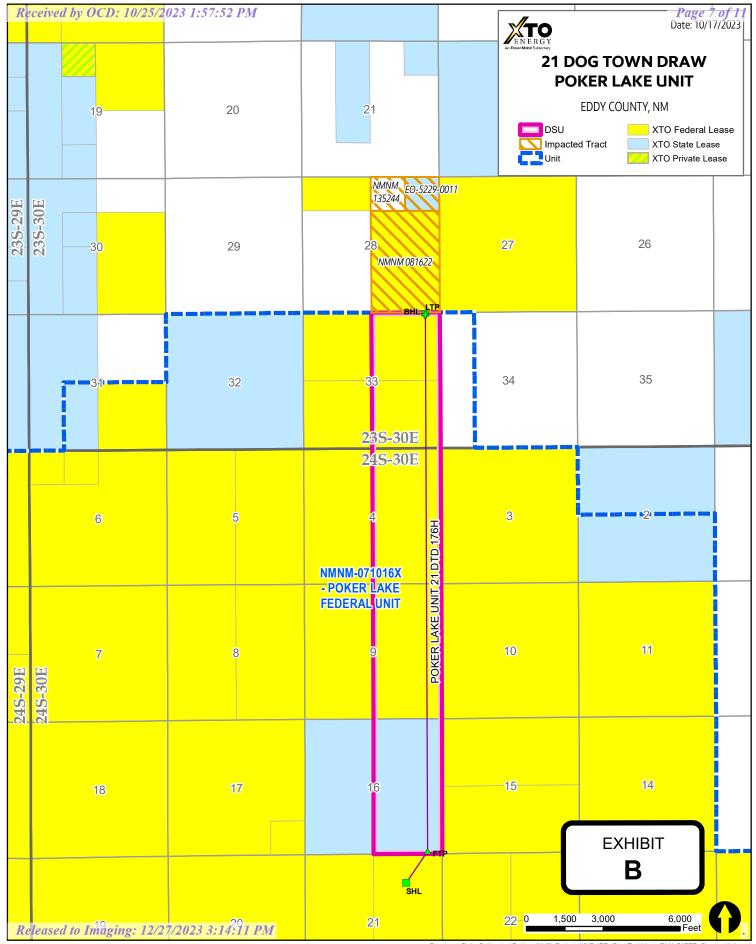
¹⁰ Surface Location

| | UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----|--|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | В | 21 | 24 S | 30 E | | 1,127 | NORTH | 1,396 | EAST | EDDY |
| | ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| - 1 | | | | | | | | | | |

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-------------------------------|---------------|---------------|---------------|------------|---------------|------------------|---------------|----------------|--------|
| A | 33 | 23 S | 30 E | | 50 | NORTH | 550 | EAST | EDDY |
| ¹² Dedicated Acres | s 13 Joint or | r Infill 14 (| Consolidation | Code 15 Or | der No. | 1 | | | |
| 320 | | | | | | | | | |

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.





| ConocoPhillips Company | 600 West Illinois Avenue | Midland | TX | 79701 |
|---------------------------------------|--------------------------|---------------|----|------------|
| WPX Energy Permian, LLC | 3500 One Williams Center | Tulsa | OK | 74172 |
| Devon Energy Production Company, L.P. | 333 West Sheridan Ave. | Oklahoma City | ОК | 73102-5015 |
| Bureau of Land Management | 301 Dinosaur Trail | Santa Fe | NM | 87508 |
| NM State Land Office | 310 Old Santa Fe Trail | Santa Fe | NM | 87501 |
| NM State Land Office | P.O. Box 1148 | Santa Fe | NM | 87504 |



Paula M. Vance Associate Attorney Phone (505) 988-4421 Email pmvance@hollandhart.com

October 19, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: XTO Permian Operating, LLC

Request for Administrative Approval of Unorthodox Well Location

Poker Lake Unit 21 DTD 176H well E/2 Section 33, Township 23 South, Range 30 East, and E/2 Sections 4, 9, and 16, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico WC-015 2330S16 J Wolfcamp [98268] and Purple Sage; Wolfcamp [98220] API No. 30-015-50199

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Chad Tschirhart Commercial & Land Advisor XTO Energy, Inc.

Office: (346) 502-7977

chad.c.tschirhart@exxonmobil.com

Sincerely,

Paula M. Vance

Patrick

ATTORNEY FOR XTO PERMIAN OPERATING, LLC

Received by OCD: 10/25/2023 1:57:52 PM

XTO - Poker Lake Unit 176H - NSL Postal Delivery Report

| Tracking Number | Recipient | Status |
|------------------------|---|-----------|
| 9214890194038334535225 | ConocoPhillips Company 600 West Illinois Avenue Midland TX 79701 | Submitted |
| 9214890194038334535232 | WPX Energy Permian LLC 3500 One Williams Center Tulsa OK 74172 | Submitted |
| 9214890194038334535249 | Devon Energy Production Company L P 333 West Sheridan Ave Oklahoma City OK 73102-5015 | Submitted |
| 9214890194038334535256 | Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508 | Submitted |
| 9214890194038334535263 | NM State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501 | Submitted |
| 9214890194038334535270 | NM State Land Office PO BOX 1148 Santa Fe NM 87504 | Submitted |

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1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 279317

CONDITIONS

| Operator: | OGRID: | | |
|----------------------------|--------------------------------------|--|--|
| XTO PERMIAN OPERATING LLC. | 373075 | | |
| 6401 HOLIDAY HILL ROAD | Action Number: | | |
| MIDLAND, TX 79707 | 279317 | | |
| | Action Type: | | |
| | [UF-NSL] Non-Standard Location (NSL) | | |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|-----------|----------------|
| llowe | None | 10/26/2023 |