State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

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Ben Shelton

Deputy Secretary (Acting)

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



Mr. Joshua Anderson janderson@mewbourne.com

Administrative Order NSP - 2216

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Mewbourne Oil Company [OGRID 14744]

Salado Draw 10 Federal Com Well No. 403H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 404H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 407H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 502H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 504H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 506H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 508H [API No. 30-025-PENDING] Salado Draw 10 Federal Com Well No. 571H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 571H [AFI No. 30-025-FENDING]

Salado Draw 10 Federal Com Well No. 573H [AFI No. 30-025-PENDING] Salado Draw 10 Federal Com Well No. 574H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 574H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 576H [API No. 30-025-PENDING]

Salado Draw 10 Federal Com Well No. 578H [API No. 30-025-PENDING]

Located: Section 10, T26S R33E, Lea County

Reference is made to your application received on June 20th, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
Section 10	640	Bradley; Bone Spring	7280

NSP - 2216 Mewbourne Oil Company Page 2 of 2

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

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 which are to be being included.

It is requested that a non-standard horizontal spacing unit is needed in order to maximize the recovery of oil and gas reserves within Bone Spring formation. Thereby, preventing waste underlying the entire Section 10 within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: ocd.engineer@emnrd.nm.gov of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Date: 9/11/2024

Gerasimos Razatos

Division Director (Acting)

GR/lrl

Released to Imaging: 9/25/2024 9:12:47 AM

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

CONDITIONS

Action 386687

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	386687
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Create By		Condition Date
llowe	None	9/25/2024