State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Melanie A. Kenderdine Deputy Secretary – Designate

Ben Shelton
Deputy Secretary (Acting)

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



Mr. Mitch Robb

mrobb@mewbourne.com

Administrative Order NSP - 2221

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Mewbourne Oil Company [OGRID 14744]

Yuma 3 10 Federal Com Well No. 521H [API No. 30-015-53297]

Yuma 3 10 Federal Com Well No. 523H [API No. 30-015-55138]

Yuma 3 10 Federal Com Well No. 562H [API No. 30-015-53296]

Yuma 3 10 Federal Com Well No. 564H [API No. 30-015-55137]

HSU: W/2 Section 03 & W/2 of Section 10, T25S R28E, Eddy County

Reference is made to your application received on August 5th, 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
W/2 Section 03	640.64	San Lorenzo; Bone Spring, North	53610
W/2 Section 10			

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 Eddy County, New Mexico.

NSP - 2221 Mewbourne Oil Company Page 2 of 2

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 eliminate the need for separate facilities, additional administrative approvals, and to maximize the recovery of oil and gas reserves within the Bone Spring formation. Thereby, reducing waste underlying the entirety of W/2 Section 03 and the W/2 of 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: 10/23/24

Gerasimos Razatos

Division Director (Acting)

GR/lrl

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

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 396279

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	396279
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/28/2024