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



Joshua Anderson janderson@mewbourne.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8818

Mewbourne Oil Company [OGRID 14744] Salado Draw 9 Federal Com Well No. 823H API No. 30-025-54251

Reference is made to your application received on October 16th, 2024.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	345 FNL & 1420 FWL	С	09	26S	33E	Lea
First Take Point	100 FNL & 1900 FWL	С	09	26S	33E	Lea
Last Take Point/	100 FSL & 1900 FWL	Ν	09	26S	33E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 Section 09	320	Salado Draw; Wolfcamp (GAS)	84410

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)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **gas** well 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 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 660 feet for a **gas** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL - 8818 Mewbourne Oil Company Page 2 of 2

well shall be no closer than 330 feet for a **gas** in 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 100 feet to the northern and southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 04, encroachment to the SW/4 Section 16, 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 in order to recover additional oil and gas reserves and preventing waste within the Wolfcamp formation underlying the W/2 of Section 09.

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.

Gerasimos Razatos Division Director (Acting) GR/lrl

Date: 1/30/2025

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ID NO. 393078	NSL - 8818 Revised March 23, 2017					
RECEIVED: 10/16/24 REVIEWER:	TYPE: APP NO: pLEL2429157481					
- Geo 1220 South MADMI THIS CHECKLIST IS MANDATORY	ABOVE THIS TABLE FOR OCD DIVISION USE ONLY EXICO OIL CONSERVATION DIVISION Ogical & Engineering Bureau – It. Francis Drive, Santa Fe, NM 87505 IISTRATIVE APPLICATION CHECKLIST FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND CH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE					
Applicant: Mewbourne Oil Company						
Well Name: Salado Draw 9 Fed Com #823H	OGRID Number: 14744 API: 30-015-Pending					
Pool: Salado Draw; Wolfcamp Gas						
	Pool Code: <u>88410</u>					
SUBMIT ACCURATE AND COMPLE	E INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW					
1) TYPE OF APPLICATION: Check th A. Location – Spacing Unit – S I NSL						
[II] Injection – Disposal – F						
C. Application requires pu D. Notification and/or cor E. Notification and/or cor F. Surface owner	eck those which apply. holdersNotice Completety owners, revenue owners olished notice current approval by SLOApplication 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 c	mpleted by an individual with managerial and/or supervisory capacity.					
	10/10/2024					
Joshua Anderson	Date					
Joshua Anderson						
Print or Type Name	432-682-3715					
Chil Cheku	Phone Number					
Signatura	janderson@mewbourne.com					
Signature	e-mail Address					

Released to Imaging: 1/31/2025 9:42:55 AM

MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

October 10, 2024

Via Certified Mail

New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87505 Attn: Mr. Leonard Lowe Division Director

Re: Application for Unorthodox Well Locations Salado Draw 9 Fed Com #802H API No. 30-015-Pending Surface Location: 345 FNL & 1380 FWL (Unit C) (Sec. 9) Proposed First Perf: 100 FNL & 720 FWL (Unit M) (Sec. 9) - unorthodox Bottomhole Location: 100 FSL & 720 FWL (Unit M) (Sec. 9) Proposed Last Perf: 100 FSL & 720 FWL (Unit M) (Sec. 9) - unorthodox Salado Draw 9 Fed Com #823H API No. 30-015-Pending Surface Location: 345 FNL & 1420 FWL (Unit C) (Sec. 9) Proposed First Perf: 100 FNL & 1900 FWL (Unit N) (Sec. 9) - unorthodox Bottomhole Location: 100 FSL & 1900 FWL (Unit N) (Sec. 9) Proposed Last Perf: 100 FSL & 1900 FWL (Unit N) (Sec. 9) - unorthodox Sections 9, T-26-S, R-33-E, NMPM Lea County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of unorthodox gas well locations for its proposed Salado Draw 9 wells listed above. These wells will be drilled as horizontal gas wells in the Salado Draw; Wolfcamp (Gas) Pool (84410).

The above wells will be dedicated to a standard 320-acre gas spacing and proration unit comprising the W/2 of Section 9.

The Salado Draw; Wolfcamp (Gas) Pool is currently governed by Special Pool Rules, Hearing Order No. R-14262 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 330 feet to the outer boundary of the producing area.

The unorthodox locations are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the W/2 of Section 9.

The affected offset acreage comprises the SW/4 of Section 4, T26S, R33E, NMPM for the unorthodox first take-point location and the NW/4 of Section 16, T26S, R33E, NMPM for the unorthodox last take-point location (See Attached Map). One of the offset acreage locations are operated by EOG Resources, Inc.

Attached is our Form C-102 showing the surface, first take point, and bottomhole location for the above captioned wells. Also, attached is a map showing the affected offset acreage, a horizontal well plan, and notice list.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Salado Draw; Wolfcamp (Gas) Pool underlying the W/2 of Section 9 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Thank you for your consideration of this application. Should you have any questions regarding the above, please email me at janderson@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

fal andum

Josh Anderson, RPL Landman

Xc: OCD-Hobbs

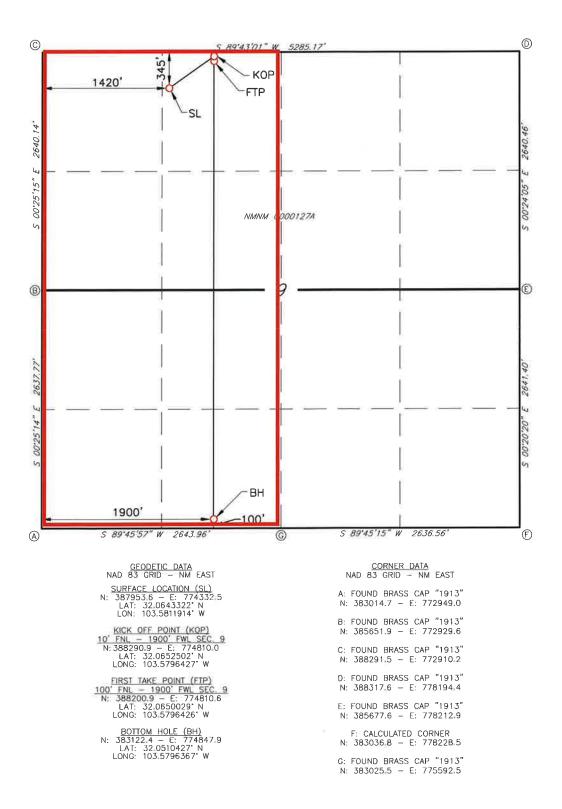
<u>C-102</u>	2		State of Nev erals & Natura	v Mexico I Resources Department			Revised July 9, 2024				
	Electronica					TION DIVISION				☐ Initial Submitt	tal
Via OC	CD Permittir	ıg							nittal	Amended Rep	
						Тур			8	As Drilled	
			1		WELL LOCAT	TON INFORMATIC)N				
API Nu	mber		Pool Code			Pool Name					
	5-Pending]	84410		5	Salado Draw; Wo	olfcamp G	ias			
Property			Property Na		SALAD	D DRAW 9 F	ED COM	[]			23H
OGRID 14744	No.		Operator N	ame	MEWBO	URNE OIL C	OMPAN	Y	Grou	ind Level Elevation	3311'
Surface	Owner:	State 🗆 Fee 🛛	🛛 Tribal 🔽 F	ederal		Mineral Owner:	🗆 State 🛛	Fee 🗖 Triba	l 🗹 Fe	deral	
*1					Surfa	ace Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft, from E/W	Latitude		Long	gitude	County
C	9	26S	33E		345 FNL	1420 FWL	32.064	3322°N	103	.5811914°W	LEA
					Bottom	Hole Location					
UL	Section	Township	Range	Lot	Ft, from N/S	Ft. from E/W	Latitude		۰ I	gitude	County
N	9	26S	33E		100 FSL	1900 FWL	32.051	0427°N	103	.5796367°₩	LEA
Dedicat 320	ed Acres	Infill or Defi	ning Well	Defining	Well API	Overlapping Spacing Unit (Y/N) Consolidation Code					
Order N	lumbers.					Well setbacks are under Common Ownership: Yes No					
					Kick O	ff Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
С	9	26S	33E	1	10 FNL	1900 FWL	32.065	2502°N	103	.5796427°W	LEA
		I			First Ta	ke Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
C	9	26S	33E		100 FNL	1900 FWL	32.065	0029°N	103	.5796426°₩	LEA
					Last Ta	ke Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft, from E/W	Latitude			gitude	County
N	9	26S	33E		100 FSL	1900 FWL	32.051	0427°N	103	3.5796367°W	LEA
Unitized	l Area or Ar	ea of Uniform	Interest	Spacing	Unit Type 🛛 Hor	izontal 🗌 Vertical	0	Ground Floor	Eleva	tion:	
1											
OPER/	ATOR CER	FIFICATIONS	3			SURVEYOR CERTIFICATIONS					
					plete to the best of	I hereby certify that the well location shown on this plat was plotted from field notes of actual					
		ef, and , if the wel. is a working inter				I hereby certify that the well location shown on this play was plotted from field notes of actual surveys made by me under my supervision and that the same is true and correct to the best of my belief.					to the best of
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					W METO FT						
interst, or to a voluntary pooling agreement or a compulsory poolling order heretofore entered by the division.				E South							
If this well is a horizontal well, I further certify that this organization has received the				3 (19680) 8							
If this well is a norresonal 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											
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.					SSIONAL SURT						
Sienature Date					Signature and Seal of Prol						
Signature			Date			Robert N	1. Hou	sett			
Printed Na	me					Certificate Number	Date of	f Survey			
						19680		3	07/0	03/2024	
Email Address								/			

Note: 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.

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 a 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.



MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

September 30, 2024

Via Certified Mail

Affected Parties (See Attached List)

Re: Application for Unorthodox Well Locations
Salado Draw 9 Fed Com #802H
API No. Pending
Surface Location: 345 FNL & 1380 FWL (Unit C) (Sec. 9)
Proposed First Perf: 100 FNL & 720 FWL (Unit M) (Sec. 9) - unorthodox
Bottomhole Location: 100 FSL & 720 FWL (Unit M) (Sec. 9)
Proposed Last Perf: 100 FSL & 720 FWL (Unit M) (Sec. 9) - unorthodox
Salado Draw 9 Fed Com #823H
API No. Pending
Surface Location: 345 FNL & 1420 FWL (Unit C) (Sec. 9)
Proposed First Perf: 100 FNL & 1900 FWL (Unit N) (Sec. 9) - unorthodox
Bottomhole Location: 100 FSL & 1900 FWL (Unit N) (Sec. 9)
Proposed First Perf: 100 FSL & 1900 FWL (Unit N) (Sec. 9)
Proposed Last Perf: 100 FSL & 1900 FWL (Unit N) (Sec. 9)

To Whom It May Concern:

Enclosed is a copy of Mewbourne Oil Company's (MOC) Application for Unorthodox Well Locations for the Salado Draw 9 Fed Com #802H and #823H wells in Section 9, T-26-S, R-33-E, Lea County, New Mexico. You are being sent a copy of this Application per OCD's requirements to notify the interest owners in the affected offset acreage. If you have any objection to this Application, notification should be given within 20 days of the date of this letter. The Application has been filed with the OCD as of this date.

MOC is seeking approval of the unorthodox well locations to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the W/2 of Section 9. Therefore, reducing waste while protecting correlative rights with the referenced horizontal spacing unit.

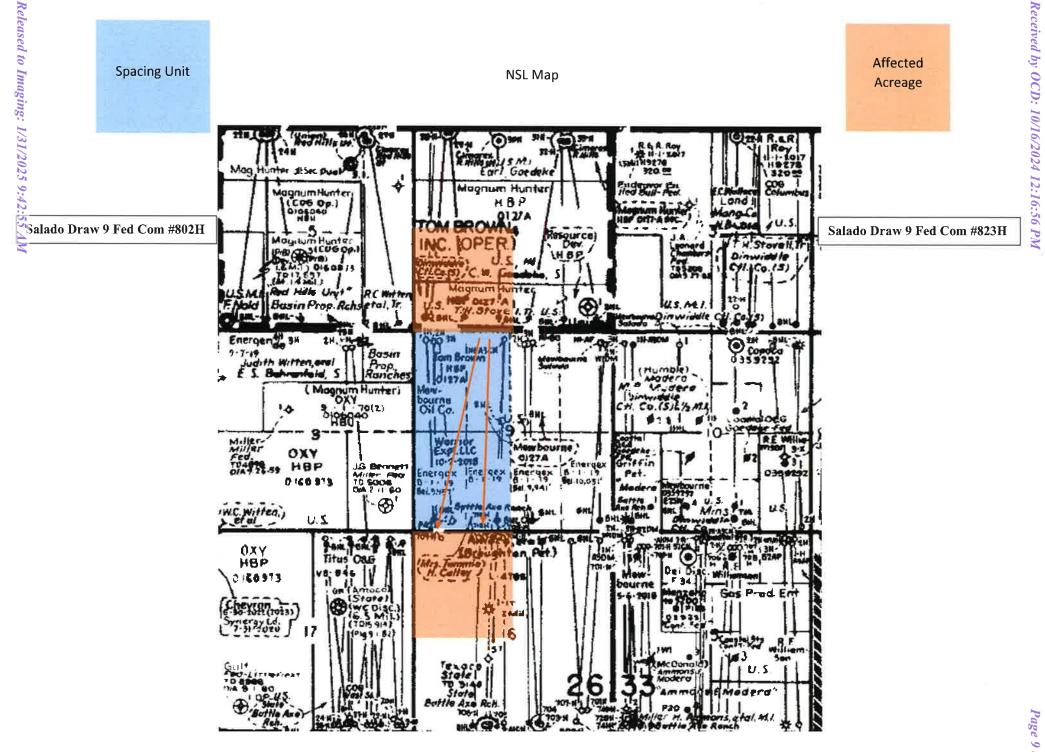
If you have any questions regarding this application, please contact me via telephone at 432-682-3715 or via email at janderson@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY

ful and

Josh Anderson, RPL Landman



List of Affected Entities:

Operators:

Section 16-26S-33E: Unit C EOG Resources, Inc. 5509 Champions Dr. Midland, Texas 79706 Attn: Land Manager

None: Section 4-26S-33E

•

OWNER NAME

EOG Resources, Inc. Midland Division - Land Dept.

						- 1
ADDRESS LINE 1	ADDRESS LINE 2	CITY	STATE	ZIP	CERTIFIED NUMBER	DATE RECEIVED
P.O. Box 2267		Midland	Texas	79702	9414 8362 0855 1058 7077 95	10/3/2024

Josh Anderson

From:
Sent:
To:
Subject:

webmaster@simplecertifiedmail.com Thursday, October 3, 2024 2:08 PM Josh Anderson [EXT] Document Delivered



Document Delivered

A document with a tracking code of 9414836208551058707795 and reference number of Salado Draw was successfully delivered to EOG Resources Inc. Midland Division

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

SimolaCertifiedUnit.com 111 Commonwealth Court South 101 Cary, NC 27511-4447

888-462-1750 ext. 2 assistance@simplecertifiedmail.com

2039 SimpleCentredUni (or All rights revenued

From:	Josh Anderson
To:	Lowe, Leonard, EMNRD
Subject:	RE: [EXTERNAL] RE: [EXT] County Numbers on the C-102
Date:	Wednesday, January 8, 2025 1:06:28 PM
Attachments:	image006.png
	image007.png
	image008.png
	image002.png
	Updated Salado Draw 9 Fed Com #802H & #823H C-102s.pdf

Leonard,

Per our phone conversation today, the attached C-102s for the Salado Draw 9 Fed Com #802H & #823H are correct for the Pool Name and Pool Code.

These wells are in the Salado Draw: Wolfcamp Gas Pool, as were the previous wells drilled in the E/2 of Sec. 9.

The APD that is on the NMOCD website is incorrect, and will sundry a change upon completion.

I hope this helps, let me know if you need anything else.

Thanks,

Josh Anderson, RPL Petroleum Landman te 1020 500 West Texas Ave Midland, TX 79701 Phone: (432) 682-3715 Cell: (405) 406-8982



From: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov> Sent: Tuesday, January 7, 2025 3:56 PM To: Josh Anderson <ianderson@Mewbourne.com> Subject: RE: [EXTERNAL] RE: [EXT] County Numbers on the C-102 Importance: High

Josh Anderson,

I will need to cancel these NSL applications. OCD had requested clarification on your C-102. 1 of 2 concerns was addressed. The Pool Code noted on the C-102 is not corresponding to any pool codes in our system.

Please correct all your information in your NSL request and renotice all parties and resubmit the applications if you wish to continue with the Non Standard Location request.

A reminder that that a NSL order is a granted request to deviate from OCD rules and regulations. In order to obtain such an approval, all information must be correct and clear to review. All information must be correct for all Affected Persons to review.

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.

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Blvd Albuquerque, N.M. 87113 Cell Number: 505-584-8351 http://www.emnrd.state.nm.us/ocd/

From: Josh Anderson <janderson@Mewbourne.com> Sent: Tuesday, December 10, 2024 10:04 AM To: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov> Subject: [EXTERNAL] RE: [EXT] County Numbers on the C-102

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments. Mr. Lowe,

Please see updated C-102s for the wells in question. Please forgive the typo, I'm a new father and haven't been getting much sleep!

Let me know if you need anything else.

Thanks,

Josh Anderson, RPL Petroleum Landman 500 West Texas Ave., Suite 1020 Midland, TX 79701

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From: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov> Sent: Monday, December 9, 2024 7:07 PM To: Josh Anderson <janderson@Mewbourne.com> Subject: [EXT] County Numbers on the C-102 Importance: High

Josh Anderson,

Be mindful of details such as county numbers. Please correct the C-102 for the Salado Draw 9 Federal Com Well NO. 823H. Once corrected. Send it to me via e-mail and I will replace the incorrect one.

Also, correct the Pool Code number.

API Number 30- <mark>015</mark> -Pending	Pool Code 88410		Pool Name Salado Draw; Wolfcamp Gas			
Property Code	Property Na	ime SALAI	Well Number 823H			
OGRID No. 14744	Operator Na	ame MEWB	Ground Level Elevation 3311'			
Surface Owner: State Fee	🗆 Tribal 🗹 Fe	ederal	Mineral Owner: State Fee Tribal	☑ Federal		

	Surface Location								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
С	9	26S	33E		345 FNL	1420 FWL	32.0643322°N	103.5811914°W	LEA
	Bottom Hole Location								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	9	26S	33E		100 FSL	1900 FWL	32.0510427°N	103.5796367°W	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code	
Order Numbers.			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	9	26S	33E		10 FNL	1900 FWL	32.0652502°N	103.5796427°W	LEA
		*	·		First Tak	e Point (FTP)			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
c	9	26S	33E		100 FNL	1900 FWL	32.0650029°N	10 3.5796426°₩	LEA
-	Last Take Point (LTP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	9	26S	33E		100 FSL	1900 FWL	32.0510427°N	103.5796367°W	LEA

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Blvd. Albuquerque, N.M. 87113 Cell Number: 505-584-8351 http://www.emnrd.state.nm.us/ocd/ 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

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	393078
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/17/2024

Page 15 of 15