# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinet Secretary

**Ben Shelton**Deputy Secretary

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



Brad Dunn bdunn@mewbourne.com

## **ADMINISTRATIVE NON-STANDARD LOCATION**

Administrative Order NSL – 8907

Mewbourne Oil Company [OGRID 14744] Canal 20 19 Federal Com Well No. 718H API No. 30-015-56333

Reference is made to your application received on March 10<sup>th</sup>, 2025.

## **Proposed Location**

|                  | <b>Footages</b>     | Unit/Lot | Sec. | Twsp | Range | County |
|------------------|---------------------|----------|------|------|-------|--------|
| Surface          | 1500 FSL & 1130 FWL | L        | 21   | 21S  | 27E   | Eddy   |
| First Take Point | 490 FSL & 100 FEL   | P        | 20   | 21S  | 27E   | Eddy   |
| Last Take Point/ | 490 FSL & 100 FWL   | M        | 19   | 21S  | 27E   | Eddy   |
| Terminus         |                     |          |      |      |       |        |

## **Proposed Horizontal Units**

| Description | Acres   | Pool                     | Pool Code |
|-------------|---------|--------------------------|-----------|
| Section 20  | 1269.92 | Carlsbad; Wolfcamp, East | 74160     |
| Section 19  |         | -                        |           |

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 – 8907 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/or Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 100 feet to the eastern, 100 feet to the western and 490 feet to the southern boundary of the proposed horizontal spacing unit. Encroachment will impact the following tract(s).

Section 24, T21S, R26E, encroachment to the SE/4 Section 21, T21S, R27E, encroachment to the SW/4 Section 29, T21S, R27E, encroachment to the N/2 Section 30, T21S, R27E, encroachment to the N/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 towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying Section 20 and Section 19. Thereby preventing waste within the formation all while protecting the correlative rights of affected persons within the encroached tracts.

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 Subsection B of 19.15.15.13 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.

Date: 4/23/2025

**Gerasimos Razatos** 

Division Director (Acting)

GR/lrl

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| 11         |    | _ | ひノい      | <b>,</b> |

Revised March 23, 2017

| ID NO. 440677      |           | NSL - 8907                        | Action 23, 2017 |
|--------------------|-----------|-----------------------------------|-----------------|
| RECEIVED: 03/10/25 | REVIEWER: | TYPE:                             | PLEL2507863308  |
|                    |           | ABOVE THIS TABLE FOR OCD DIVISION | N USE ONLY      |



| NEW MEXICO OIL  | CONSERVATION DIVISION  |
|---|--|
| •   | Engineering Bureau –   |
| 1220 South St. Francis  | Drive, Santa Fe, NM 87505  |
| ADMINISTRATIVE  | APPLICATION CHECKLIST  |
|   | ISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND OCESSING AT THE DIVISION LEVEL IN SANTA FE |
| Applicant: Mewbourne Oil Company  | OGRID Number: 14744  |
| Well Name: Canal 20/19 Fed Com #718H  | API: 30-015-Pending  |
| Pool: Carlsbad; Wolfcamp, East (Gas)  | Pool Code: 74160   |
|   | ITION REQUIRED TO PROCESS THE TYPE OF APPLICATION  |
| 1) TYPE OF APPLICATION: Check those which A. Location – Spacing Unit – Simultaneou  NSL NSP (PROJECT AREA   | us Dedication  |
| B. Check one only for [1] or [11]  [1] Commingling – Storage – Measure  DHC DCTB PLC [ [11] Injection – Disposal – Pressure Incr WFX PMX SWD [  | PC OLS OLM rease – Enhanced Oil Recovery   |
| 2) NOTIFICATION REQUIRED TO: Check those A. Offset operators or lease holders  B. Royalty, overriding royalty owners, C. Application requires published noti D. Notification and/or concurrent apple. Notification and/or concurrent apple. Surface owner  G. For all of the above, proof of notification and the | which apply.  revenue owners ce proval by SLO  Notice Complete  Application Content Complete           |
| 3) CERTIFICATION: I hereby certify that the info<br>administrative approval is accurate and co<br>understand that no action will be taken on<br>notifications are submitted to the Division.  |  |
| Note: Statement must be completed by ar   | n individual with managerial and/or supervisory capacity.  |
|   |  |
| Brad Dunn   | 2/14/2025<br>Date  |
|   |  |
| Print or Type Name  | (432) 682-3715   |
| 9-11  | Phone Number   |

bdunn@mewbourne.com

e-mail Address

Released to Imaging: 5/2/2025 11:33:49 AM

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715

February 14, 2025

Via Certified Mail

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

Re: Non Standard Location Application

1. CANAL 20/19 FED COM #718H (API #30-015-pending) Surface Location: 1500' FSL & 1130' FWL (Unit L) (Sec. 21)

Proposed First Perf: 490' FSL & 100' FEL (Unit P) (Sec. 20) - unorthodox

Bottomhole Location: 490' FSL & 100' FWL (Unit M) (Sec. 19)

Proposed Last Perf: 490' FSL & 100' FWL (Unit M) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy 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 the above captioned CANAL 20/19 FED COM #718H well. Each of these wells will be drilled as horizontal gas well in the Carlsbad; Wolfcamp, East Gas Pool [74160].

The above well will be dedicated to a standard 1269.92-acre gas spacing and proration unit comprising all of Section 20 and all of Section 19.

The Carlsbad; Wolfcamp, East Gas Pool is currently governed by Division Rule 19.15.16.15 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 from the parallel and 660 feet to the perpendicular 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 all of Section 20 and all of Section 19.

The affected offset acreage comprises the SE/4 of Section 13, E/2 of Section 24 and the NE/4 of Section 25, T21S, R26E, and the S/2 of Section 18, S/2 of Section 17, SW/4 of Section 16, W/2 of Section 21, NW/4 of Section 28, N/2 of Section 29, and the N/2 of Section 30, T21S, R27E, NMPM (See Attached Map). Notice of this application is being provided to the attached list of parties.

Attached is our Form C-102 showing the surface, first take point, and bottomhole location for the above captioned well. 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 Carlsbad; Wolfcamp, East Gas Pool underlying Sections 20 & 19 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at <a href="mailto:bdunn@mewbourne.com">bdunn@mewbourne.com</a> or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Landman

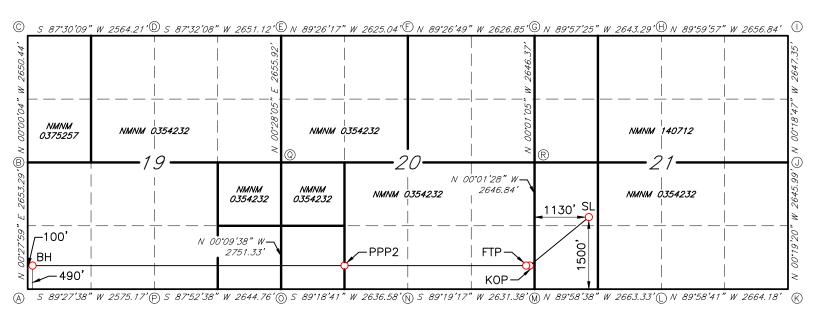
| <u>C-102</u>   | 2                 |  | Enei                 | rov Min          | State of Nev         | w Mexico<br>al Resources Dep          | artment                    | Revised July 9, |               |                          | uly 9, 2024    |  |
|--|-------------------|--|----------------------|------------------|----------------------|---------------------------------------|----------------------------|-----------------|---------------|--------------------------|----------------|--|
|  | Electronic        |  |                      |                  |                      | TION DIVISION                         |                            |                 |               | ☐ Initial Submittal      |                |  |
| Via OC   | CD Permitti       | ng   |                      |                  |                      |                                       | Subm                       |                 | ☐ Amended Rep |                          |                |  |
|  |                   |  |                      |                  |                      |                                       |                            | Type            |               | ☐ As Drilled             | , oit          |  |
|  |                   |  |                      |                  | WELLLOCAT            | TION INFORMATIC                       | iN                         |                 |               | 7.5 Dimed                |                |  |
| API Nu   | mber              |  | Pool Code            |                  |                      | Pool Name                             | ·1N                        |                 |               |                          |                |  |
|  |                   |  |                      | 74               | 4160                 |                                       | CARLSBAD EAST WOLFCAMP GAS |                 |               |                          |                |  |
| Property   | y Code            |  | Property Na          | ıme              | CANA                 | L 20/19 FE                            | о сом                      |                 | Well          | Number 7:                | 18H            |  |
| OGRID  | No.               | 14744  | Operator Na          | ame              | MEWBO                | URNE OIL C                            | OMPANY                     |                 | Grou          | and Level Elevation      | 3186'          |  |
| Surface Owner: State Fee Tribal Federal  |                   |  |                      |                  | Mineral Owner:       |                                       | Tribal                     | □Fe             | deral         |                          |                |  |
|  |                   |  |                      |                  | Surfa                | ace Location                          |                            |                 |               |                          |                |  |
| UL   | Section           | Township                                     | Range                | Lot              | Ft. from N/S         | Ft. from E/W                          | Latitude                   |                 | Long          | gitude                   | County         |  |
| L  | 21                | 21S  | 27E                  |                  | 1500 FSL             | 1130 FWL                              | 32.46235                   | 536°N           | 104           | .1999081°W               | EDDY           |  |
|  |                   |  |                      |                  | Bottom               | Hole Location                         |                            |                 |               |                          |                |  |
| UL   | Section           | Township                                     | Range                | Lot              | Ft. from N/S         | Ft. from E/W                          | Latitude                   |                 | Longitude     |                          | County         |  |
| M  | 19                | 21S  | 27E                  |                  | 490 FSL              | 100 FWL                               | 32.45910                   | )70°N           | 104.2372247°W |                          | EDDY           |  |
|  |                   | T  |                      | T                |                      | T                                     |                            | 1               |               |                          |                |  |
|  | ed Acres<br>39.92 | Infill or Defi                               | -                    | Defining         | Well API             | Overlapping Spa                       |                            | Consoli         | dation        | Code COM                 |                |  |
|  | Jumbers.          | DEFINIT                                      | G WELL               | <u> </u>         |                      | Well setbacks are under Common Owners |                            |                 |               |                          |                |  |
| Order 1  | tumoers.          |  |                      |                  |                      |                                       |                            |                 | p             | , 100110                 |                |  |
|  |                   | 1  | T_                   | 1_               | 1                    | ff Point (KOP)                        |                            |                 |               |                          | T              |  |
| UL   | Section           | Township                                     | Range                | Lot              | Ft. from N/S         | Ft. from E/W                          | Latitude                   | O GONT          | _             | gitude                   | County         |  |
| P  | 20                | 21S  | 27E                  | <u> </u>         | 490 FSL              | 10 FEL                                | 32.45958                   | 326°N           | 104           | .2036060°W               | EDDY           |  |
| UL   | Section           | Township                                     | Range                | Lot              | Ft. from N/S         | ke Point (FTP) Ft. from E/W           | Latitude                   |                 | Long          | gitude                   | County         |  |
| P  | 20                | 21S  | 27E                  | Lot              | 490 FSL              | 100 FEL                               |                            | ROOON           | _             | .2038977°W               | EDDY           |  |
| •  | ~0                | <b>~1</b> 5                                  | _ ~· B               |                  |                      | ke Point (LTP)                        | 00.1000                    | 700 11          | 101           |                          | LDD1           |  |
| UL   | Section           | Township                                     | Range                | Lot              | Ft. from N/S         | Ft. from E/W                          | Latitude                   |                 | Long          | gitude                   | County         |  |
|  |                   | 1  |                      |                  |                      |                                       |                            |                 |               | ,                        |                |  |
|  | I.                |  | 1                    |                  | <u> </u>             |                                       |                            |                 |               |                          |                |  |
| Unitize  | d Area or A       | rea of Uniform                               | Interest             | Spacing          | Unit Type  Hori      | izontal   Vertical                    | Grou                       | and Floor       | Elevat        | ion:                     |                |  |
|  |                   |  |                      |                  |                      |                                       |                            |                 |               |                          |                |  |
| OPER   | ATOR CER          | TIFICATIONS                                  | <br>S                |                  |                      | SURVEYOR CER                          | TIFICATIONS                |                 |               |                          |                |  |
| I hereby   | certify that the  | e information cont                           | ained herein is t    | rue and com      | plete to the best of | I hereby certify that th              | e well location sh         | own on this     | plat wa       | us plotted from field no | tes of actual  |  |
| my know  | ledge and beli    | ief, and , if the wel<br>ons a working inter | l is a vertical or   | directional w    | vell, that this      | surveys made by me u<br>my belief.    | nder my supervice          | on, and that    | lesan         | ne is true and correct t | to the best of |  |
| including  | g the proposed    | l bottom hole locat                          | tion or has a righ   | ht to drill this | s well at this       | my centy.                             |                            | ME              |               |                          |                |  |
| 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 |                   |  |                      |                  |                      | 19680                                 | 10                         | 7               |               |                          |                |  |
| entered by the division.  If this well is a horizontal well, I further certify that this organization has received the   |                   |  | has received the     |                  | 73                   | 19000                                 | "                          |                 |               |                          |                |  |
| consent of at least one lessee or owner of a working interest or unleased mineral interest   |                   |  | sed mineral interest |                  | ROT                  |                                       |                            | £/              |               |                          |                |  |
| 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.   |                   |  |                      | 1133             | ONAL O               | sur                                   |                            |                 |               |                          |                |  |
| Signature  |                   |  | Date                 |                  | <del></del>          | Signature and Seal of Prot            |                            |                 | -             |                          |                |  |
| , <u>,</u>   |                   |  |                      |                  |                      | Robert M                              | . Howé                     | itt             |               |                          |                |  |
| Printed Na   | ame               |  |                      |                  |                      | Certificate Number                    | Date of Sur                | vey             |               |                          |                |  |
|  |                   |  |                      |                  |                      | 19680                                 |                            | C               | 2/2           | 22/2024                  |                |  |
| Fmail Add  | dress             |  |                      |                  |                      | 10000                                 |                            | ·               | ~/ ~          | ~/ ~0~=                  |                |  |

#### 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.

## CANAL 20/19 FED COM #718H



<u>GEODETIC DATA</u> NAD 83 GRID — NM EAST

<u>SURFACE LOCATION (SL)</u> N: 531960.9 - E: 582488.9

> LAT: 32.4623536° N LONG: 104.1999081° W

<u>KICK OFF POINT (KOP)</u> N: 530951.4 - E: 581349.6

LAT: 32.4595826° N LONG: 104.2036060° W

FIRST TAKE POINT (FTP)
N: 530950.3 - E: 581259.6

LAT: 32.4595800° N LONG: 104.2038977° W

PROPOSED PENETRATION POINT 2 (PPP2)

467' FSL & 1319' FWL (SEC.20)

N: 530881.8 - E: 577410.7

LAT: 32.4594039° N LONG: 104.2163767° W

<u>BOTTOM HOLE (BH)</u> N: 530767.4 - E: 570980.6

LAT: 32.4591070° N LONG: 104.2372247° W

#### <u>CORNER DATA</u> NAD 83 GRID — NM EAST

A: FOUND BRASS CAP "1943" N: 530276.6 - E: 570876.7

B: FOUND BRASS CAP "1943" N: 532929.2 - E: 570898.3

N: 532929.2 - E: 570898.3 C: FOUND 1/2" IRON ROD

N: 535579.0 – E: 570898.2

D: FOUND BRASS CAP "1943" N: 535690.7 - E: 573459.4

E: CALCULATED CORNER N: 535804.7 - E: 576107.4

F: FOUND BRASS CAP "1943" N: 535778.9 - E: 578731.7

G: FOUND BRASS CAP "1943" N: 535753.6 - E: 581357.8

H: FOUND 1" PIPE N: 535751.6 - E: 584000.5

I: FOUND BRASS CAP "1943" N: 535751.6 - E: 586656.7 J: FOUND BRASS CAP "1943" N: 533104.9 - E: 586671.1

K: FOUND BRASS CAP "1943" N: 530459.6 - E: 586686.0

L: FOUND BRASS CAP "1943" N: 530460.6 - E: 584022.5

M: FOUND BRASS CAP "1943" N: 530461.6 - E: 581359.8

N: FOUND BRASS CAP "1943" N: 530430.5 - E: 578729.2

O: FOUND BRASS CAP "1943" N: 530398.8 - E: 576093.4

P: CALCULATED CORNER N: 530300.8 - E: 573451.1

Q: FOUND BRASS CAP "1943" N: 533149.5 - E: 576085.7

R: FOUND BRASS CAP "1943" N: 533107.8 - E: 581358.6

# MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

February 14, 2025

## Via Certified Mail

Affected Parties (See Attached List)

Re: Application for Non Standard Locations

CANAL 20/19 FED COM #712H (API #30-015-pending)
 Surface Location: 1020' FNL & 355' FEL (Unit A) (Sec. 20)
 Proposed First Perf: 830' FNL & 100' FEL (Unit A) (Sec. 20) - unorthodox
 Bottomhole Location: 830' FNL & 100' FWL (Unit D) (Sec. 19)
 Proposed Last Perf: 830' FNL & 100' FWL (Unit D) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

CANAL 20/19 FED COM #714H (API #30-015-pending)
 Surface Location: 1060' FNL & 355' FEL (Unit A) (Sec. 20)
 Proposed First Perf: 2150' FNL & 100' FEL (Unit H) (Sec. 20) - unorthodox
 Bottomhole Location: 2150' FNL & 100' FWL (Unit D) (Sec. 19)
 Proposed Last Perf: 2150' FNL & 100' FWL (Unit E) (Sec. 19) - unorthodox
 Located in the all of Sections 20 and 19-T21S-R27E, NMPM
 Eddy County, New Mexico

- CANAL 20/19 FED COM #716H (API #30-015-pending)
   Surface Location: 1540' FSL & 1130' FWL (Unit L) (Sec. 21)
   Proposed First Perf: 1810' FSL & 100' FEL (Unit I) (Sec. 20) unorthodox
   Bottomhole Location: 1810' FSL & 100' FWL (Unit L) (Sec. 19)
   Proposed Last Perf: 1810' FSL & 100' FWL (Unit L) (Sec. 19) unorthodox
   Located in the all of Sections 20 and 19-T21S-R27E, NMPM
   Eddy County, New Mexico
- CANAL 20/19 FED COM #718H (API #30-015-pending)
   Surface Location: 1500' FSL & 1130' FWL (Unit L) (Sec. 21)
   Proposed First Perf: 490' FSL & 100' FEL (Unit P) (Sec. 20) unorthodox
   Bottomhole Location: 490' FSL & 100' FWL (Unit M) (Sec. 19)
   Proposed Last Perf: 490' FSL & 100' FWL (Unit M) (Sec. 19) unorthodox
   Located in the all of Sections 20 and 19-T21S-R27E, NMPM
   Eddy County, New Mexico
- CANAL 20/19 FED COM #851H (API #30-015-pending)
   Surface Location: 1000' FNL & 355' FEL (Unit A) (Sec. 20)
   Proposed First Perf: 490' FNL & 100' FEL (Unit A) (Sec. 20) unorthodox
   Bottomhole Location: 490' FNL & 100' FWL (Unit D) (Sec. 19)
   Proposed Last Perf: 490' FNL & 100' FWL (Unit D) (Sec. 19) unorthodox
   Located in the all of Sections 20 and 19-T21S-R27E, NMPM
   Eddy County, New Mexico

6. CANAL 20/19 FED COM #853H (API #30-015-pending)

Surface Location: 1040' FNL & 355' FEL (Unit A) (Sec. 20)

Proposed First Perf: 1810' FNL & 100' FEL (Unit H) (Sec. 20) - unorthodox

Bottomhole Location: 1810' FNL & 100' FWL (Unit E) (Sec. 19)

Proposed Last Perf: 1810' FNL & 100' FWL (Unit E) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

7. CANAL 20/19 FED COM #855H (API #30-015-pending)

Surface Location: 1560' FSL & 1130' FWL (Unit L) (Sec. 21)

Proposed First Perf: 2150' FSL & 100' FEL (Unit I) (Sec. 20) - unorthodox

Bottomhole Location: 2150' FSL & 100' FWL (Unit L) (Sec. 19)

Proposed Last Perf: 2150' FSL & 100' FWL (Unit L) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

8. CANAL 20/19 FED COM #857H (API #30-015-pending)

Surface Location: 1520' FSL & 1130' FWL (Unit L) (Sec. 21)

Proposed First Perf: 830' FSL & 100' FEL (Unit P) (Sec. 20) - unorthodox

Bottomhole Location: 830' FSL & 100' FWL (Unit M) (Sec. 19)

Proposed Last Perf: 830' FSL & 100' FWL (Unit M) (Sec. 19) – unorthodox

Located in the all of Sections 20 and 19-T21S-R27E, NMPM

Eddy County, New Mexico

## To Whom It May Concern:

Enclosed is a copy of Mewbourne Oil Company's (MOC) Application for Unorthodox Non Standard Well Locations for the CANAL 20/19 FED COM #712H, CANAL 20/19 FED COM #714H, CANAL 20/19 FED COM #716H, CANAL 20/19 FED COM #718H, CANAL 20/19 FED COM #851H, CANAL 20/19 FED COM #853H, CANAL 20/19 FED COM #855H, and CANAL 20/19 FED COM #857H wells covering all of Sections 20 and 19-T21S-R27E, NMPM, Eddy 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.

The unorthodox locations are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying Section 20 and Section 19.

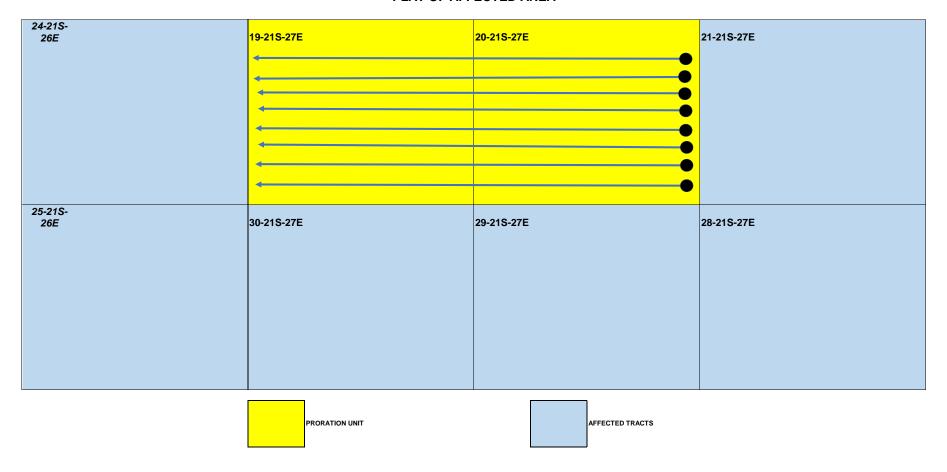
If you have any questions regarding this application, please contact me via telephone at 432-682-3715 or via email at bdunn@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn Landman

## PLAT OF AFFECTED AREA



## **CANAL 20/19 NSL DISTRIBUTION LIST**

| OWNER NAME                               | ADDRESS LINE 1             | ADDRESS LINE 2   | ADDRESS LINE 3 | CITY     | STATE | ZIP   | TRACKING NUMBER             |
|--|----------------------------|------------------|----------------|----------|-------|-------|-----------------------------|
| Ida Mae Rayroux Revocable Trust          | 5 Bessies Landing Drive    |                  |                | Poquoson | VA    | 23662 | 9414 8362 0855 1278 3541 37 |
| The Dougherty Family Living Trust        | 6 Bessies Landing Drive    |                  |                | Poquoson | VA    | 23663 | 9415 8362 0855 1278 3547 79 |
| Rachel A. West                           | 1711 Standpipe Road        |                  |                | Carlsbad | NM    | 88220 | 9416 8362 0855 1278 3555 16 |
| William Dean Wall and Mary L. Wall       | 2109 Sandy Lane            |                  |                | Carlsbad | NM    | 88220 | 9417 8362 0855 1278 3555 54 |
| Kenney L. Rayroux and Carolyn J. Rayroux | 2110 Solana                |                  |                | Carlsbad | NM    | 88220 | 9418 8362 0855 1278 3555 85 |
| OXY Y-1 Company                          | Attn: Permian Land Manager | PO Box 27570     |                | Houston  | TX    | 77227 | 9419 8362 0855 1278 3556 08 |
| Ross Duncan Properties, LLC              | PO Box 647                 |                  |                | Artesia  | NM    | 88211 | 9420 8362 0855 1278 3556 46 |
| Southwest Petroleum Services, LLC        | 100 N Pennsylvania         |                  |                | Roswell  | NM    | 88203 | 9421 8362 0855 1278 3556 60 |
| B&G Royalties                            | PO Box 376                 |                  |                | Artesia  | NM    | 88211 | 9422 8362 0855 1278 3557 07 |
| Oak Valley Mineral and Land, LP          | PO Box 50820               |                  |                | Midland  | TX    | 79710 | 9423 8362 0855 1278 3557 38 |
| Bureau of Land Management                | 310 Old Santa Fe Trail     |                  |                | Santa Fe | NM    | 87508 | 9424 8362 0855 1278 3557 45 |
| Matador Production Company               | One Lincoln Centre         | 5400 LBJ Freeway | STE 1500       | Dallas   | TX    | 75240 | 9425 8362 0855 1278 3558 20 |
| Snow Oil & Gas Inc.                      | P.O. Box 1277              |                  |                | Andrews  | TX    | 79714 | 9426 8362 0855 1278 3558 82 |
| Permian Resources Operating, LLC         | 300 N. Marienfeld St       | STE 1000         |                | Midland  | TX    | 79701 | 9427 8362 0855 1278 3559 67 |

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

Action 440677

#### **CONDITIONS**

| Operator:        | OGRID:                               |
|------------------|--------------------------------------|
| MEWBOURNE OIL CO | 14744                                |
| P.O. Box 5270    | Action Number:                       |
| Hobbs, NM 88241  | 440677                               |
|                  | Action Type:                         |
|                  | [UF-NSL] Non-Standard Location (NSL) |

#### CONDITIONS

| E |       | Condition | Condition<br>Date |
|---|-------|-----------|-------------------|
|   | llowe | None      | 3/19/2025         |