# 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 – 8910

Mewbourne Oil Company [OGRID 14744] Canal 20 19 Federal Com Well No. 855H API No. 30-015-56356

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

## **Proposed Location**

	<u>Footages</u>	Unit/Lot	Sec.	Twsp	Range	County
Surface	1560 FSL & 1130 FWL	L	21	21S	27E	Eddy
First Take Point	2150 FSL & 100 FEL	I	20	21S	27E	Eddy
Last Take Point/	2150 FSL & 100 FWL	L	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 – 8910 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 and 100 feet to the western 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

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

NOT	9010	Revised March 23, 2017
NCT	0010	Revised March 25, 201

ID NO. 440680		NSL - 0910	
RECEIVED: 03/10/25	REVIEWER:	TYPE:	pLEL2507930206

- Geological & En	GONSERVATION DIVISION gineering Bureau – ive, Santa Fe, NM 87505
	Section 1.
	PPLICATION CHECKLIST
	ATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND ESSING AT THE DIVISION LEVEL IN SANTA FE
REGULATIONS WHICH REQUIRE FROC	ESSING AT THE DIVISION LEVEL IN SANTATE
Applicant: Mewbourne Oil Company	OGRID Number: 14744
Vell Name: Canal 20/19 Fed Com #855H	API:30-015-Pending
ool; Carlsbad; Wolfcamp, East (Gas)	Pool Code: 74160
	ON REQUIRED TO PROCESS THE TYPE OF APPLICATION ATED BELOW
1) TYPE OF APPLICATION: Check those which ap A. Location – Spacing Unit – Simultaneous [  NSL   NSP (PROJECT AREA)	• • • •
B. Check one only for [1] or [11]  [1] Commingling – Storage – Measurem  DHC DTB PLC F  [11] Injection – Disposal – Pressure Incres	PC DOLS DOLM

WFX PMX SWD IPI EOR PPR

POR OCD ONLY

NOTIFICATION REQUIRED TO: Check those which apply.

A. Offset operators or lease holders

B. Royalty, overriding royalty owners, revenue owners

C. Application requires published notice

D. Notification and/or concurrent approval by SLO

E. Notification and/or concurrent approval by BLM

F. Surface owner

G. For all of the above, proof of notification or publication is attached, and/or,

H. No notice required

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 completed by an individual with managerial and/or supervisory capacity.

Brad Dunn	2/14/2025 Date
Print or Type Name	(432) 682-3715
19 []	Phone Number
/W J)	bdunn@mewbourne.com
Signature	e-mail Address

# 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

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

## 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 #855H 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

Released to Imaging: 5/2/2025 11:55:43 AM

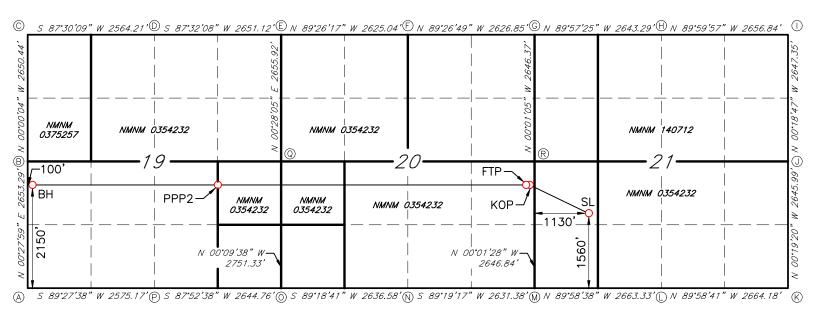
C-102 State of New Energy, Minerals & Natura OIL CONSERVAT				al Resources Dep		Revised July 9, 202					
	Electronica D Permittir	2		OIL (	CONSERVAT	TION DIVISION				☐ Initial Submittal	
								Subm Type:		☐ Amended Re	port
										☐ As Drilled	
						TION INFORMATIO	N .				
API Nu			Pool Code		160	Pool Name C	ARLSBAD	EAST		LFCAMP G	AS
Property	Code		Property Na		CANA	L 20/19 FE	D COM				55H
OGRID	No.	14744	Operator Na	ime	MEWBO	URNE OIL C	OMPANY		Grou	nd Level Elevation	<sup>n</sup> 3187'
Surface	Owner:	State  Fee	☐Tribal ☐ Fe	deral		Mineral Owner:	☐ State ☐ Fee	□Tribal	□Fe	deral	
					Surfa	ace Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
L	21	21S	27E		1560 FSL	1130 FWL	32.46251	84°N	104	.1999079°V	EDDY
		1				Hole Location	Γ				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long		County
L	19	21S	27E		2150 FSL	100 FWL	32.46366	87°N	104	.2371761°V	EDDY
Dedicate	ed Acres	Infill or Defi	ning Well	Defining	Well API	Overlapping Spa	cing Unit (Y/N)	Consoli	dation	Code	
	39.92	DEFININ	_	Juning	.,	Y				COM	
Order N	umbers.					Well setbacks are	e under Common	1 Owners	hip: 🗆	Yes No	
					Kick O	ff Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
I	20	21S	27E		2150 FSL	10 FEL	32.46414	45°N	104	.2036018°V	EDDY
					First Ta	ke Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long		County
I	20	21S	27E		2150 FSL		32.46414	19°N	104	.2038935°V	EDDY
		1	т			ke Point (LTP)	Τ				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	itude	County
Unitized	l Area or Aı	rea of Uniform	Interest	Spacing 1	Unit Type ☐ Hori	izontal	Grou	nd Floor	Elevat	ion:	
OPER	TOP CEN	TIFICA TIONS				CHRVEYOR CER	TIFICA TIONS				
		TIFICATIONS		,	1	SURVEYOR CER		7:		1 16 6.11	
my know	ledge and beli	ef, and , if the well	l is a vertical or	directional w		I hereby certify that th surveys made by me u	ne well location sho nder my supervices	wn on this n and that	piat wa he san	es plotted from field in the fi	to the best of
including	the proposed	ns a working inter- bottom hole locat	ion or has a righ	t to drill this	well at this	my belief.		N MEX			
interest,	or to a volunta	ry pooling agreen			unleased mineral order heretofore				% \	4	
entered by the division.				P	(19680	)	<b>E</b>				
If this well is a horizontal 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			P. C.								
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.				Tiss/	ONAL	SUR					
Signature			Date			Signature and Seal of Prof		$\overline{}$			
5.5mmure			2			Robert M	. Howe	tt			
Printed Na	me					Certificate Number	Date of Surv	/ey			
						19680		C	2/2	2/2024	
Email Add	ress					10000			-/ ~	,	

#### 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 #855H



NAD 83 GRID — NM EAST

<u>SURFACE LOCATION (SL)</u> N: 532020.8 - E: 582488.8

> LAT: 32.4625184° N LONG: 104.1999079° W

<u>KICK OFF POINT (KOP)</u> N: 532611.0 - E: 581348.8

LAT: 32.4641445° N LONG: 104.2036018° W

FIRST TAKE POINT (FTP)
N: 532609.9 - E: 581258.9

LAT: 32.4641419° N LONG: 104.2038935° W

PROPOSED PENETRATION POINT 2 (PPP2) 2145' FSL & 1318' FEL (SEC.19) N: 532494.3 - E: 574770.9

> LAT: 32.4638439° N LONG: 104.2249303° W

BOTTOM HOLE (BH) N: 532427.0 - E: 570994.1

> LAT: 32.4636687\* N LONG: 104.2371761° 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

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.

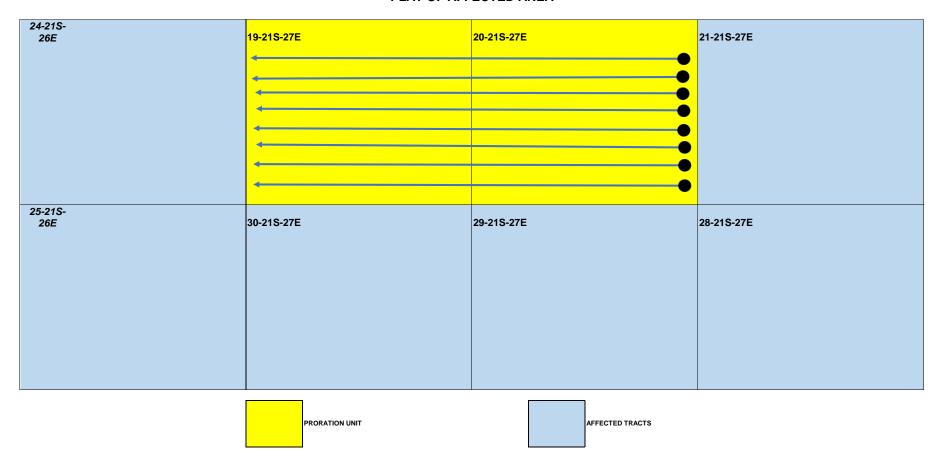
If you have any questions regarding this application, please contact me via telephone at 432-682-3715 or via email at bdunn@mewbourne.com.

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 <a href="https://www.emnrd.nm.gov/ocd/contact-us">https://www.emnrd.nm.gov/ocd/contact-us</a>

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

CONDITIONS

Action 440680

### **CONDITIONS**

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	440680
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

### CONDITIONS

Create By	d Condition	Condition Date
llow	e None	3/20/2025