

ID NO. 458847

NSP - 2289

Revised March 23, 2017

RECEIVED: 05/06/25	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: 3R Operating, LLC **OGRID Number:** 331569
Well Name: Mongo 25 Fed Com Wells **API:** pending
Pool: Purple Sage; Wolfcamp (Gas) Pool **Pool Code:** 98220

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL☒ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
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 completed by an individual with managerial and/or supervisory capacity.

5/6/2025

Date

Jaclyn M. McLean

Print or Type Name

505-230-4410

Phone Number

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean
 Date: 2025.05.06 06:24:23 -06'00'

jmclean@hardymclean.com

e-mail Address



May 5, 2025

VIA ONLINE FILING

Gerasimos Razatos
Acting Division Director
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: 3R Operating, LLC
Request for Administrative Approval of Non-Standard Horizontal Spacing
Unit**

Mongo 25 Fed Com Wells
S/2 N/2 of Section 25, Township 24 South, Range 28 East, Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) Pool (Code 98220)

Dear Mr. Razatos,

3R Operating, LLC ("3R Operating") pursuant to Division Rules 19.15.16.15(B)(5) and 19.15.15.11 NMAC, seeks administrative approval of Non-Standard Horizontal Spacing Unit for its Mongo 25 Fed Com Wells in a 160-acre, more or less, non-standard horizontal spacing unit, underlying the S/2 N/2 of Section 25, Township 24 South, Range 28 East, Eddy County, New Mexico.

The Non-Standard Horizontal Spacing Unit will contain the following wells:

- Mongo 25 Fed Com 702H
- Mongo 25 Fed Com 752H

3R Operating requests approval of the non-standard spacing unit primarily because there is a previously approved non-standard spacing unit for the Purple Sage; Wolfcamp (Gas) Pool (Code 98220) in the adjoining N/2 N/2 of Section 25, Township 24 South, Range 28 East. A non-standard spacing unit is requested for the S/2 N/2 of Section 25 as well, in order to prevent disproportionate allocation of well ownership, with owners in the N/2 N/2 benefiting at the expense of owners in the S/2 N/2 of Section 25. Further, 3R Operating seeks to minimize

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymcClean.com

Hardy McLean LLC
May 5, 2025

Page 2

surface disturbance by consolidating facilities and commingling production from wells in the proposed non-standard spacing unit. Approval of the non-standard spacing unit will allow 3R Operating to lower operating costs, efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing. Approving a non-standard spacing unit will also prevent stranded acreage. The non-standard spacing unit will create cost efficiencies, prevent waste, and protect correlative rights. Therefore, 3R Operating respectfully requests approval of this non-standard location.

Exhibit A are Form C-102s for the Mongo 25 Fed Com wells showing the location of the wells in the 160-acre non-standard horizontal spacing unit.

Exhibit B is a plat for Section 25, Township 24 South, Range 28 East, in relation to the adjoining tracts. Exhibit B also identifies the operators of the adjoining tracts.

Exhibit C lists all affected persons that were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean
Jaclyn M. McLean

ATTORNEYS FOR 3R OPERATING, LLC

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP (GAS)
Property Code	Property Name MONGO 25 FED COM	Well Number 752H
OGRID No. 331569	Operator Name 3R OPERATING, LLC	Ground Level Elevation 2925.0
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section 30	Township 24 S	Range 29 E	Lot 2	Ft. from N/S 2290 NORTH	Ft. from E/W 160 WEST	Latitude 32.1894702°N	Longitude 104.0314931°W	County EDDY
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Bottom Hole Location

UL E	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 2290 NORTH	Ft. from E/W 330 WEST	Latitude 32.1895328°N	Longitude 104.0483706°W	County EDDY
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Dedicated Acres 160	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL H	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 2290 NORTH	Ft. from E/W 230 EAST	Latitude 32.1894732°N	Longitude 104.0327536°W	County EDDY
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First Take Point (FTP)

UL H	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 2290 NORTH	Ft. from E/W 330 EAST	Latitude 32.1894739°N	Longitude 104.0330768°W	County EDDY
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Last Take Point (LTP)

UL E	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 2290 NORTH	Ft. from E/W 330 WEST	Latitude 32.1895328°N	Longitude 104.0483706°W	County EDDY
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this 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 run leased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order here to fore entered by the division.

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 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.

Signature

Date

Printed Name

Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



Signature and Seal of Professional Surveyor

FILIMON F. JARAMILLO

Certificate Number

PLS 12797

Date of Survey

MARCH 31, 2025

SURVEY NO. 10332A

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.

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 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.

MONGO 25 FED COM 752H
EL. = 2925.0

LEGEND

--- SECTION LINE
--- QUARTER LINE
--- LEASE LINE
--- WELL PATH

GEODETIC COORDINATES

NAD 83 NMSP EAST
SURFACE LOCATION
2290' FNL, 160' FWL
N.=432794.80
E.=634711.65
LAT.=32.1894702°N
LONG.=104.0314931°W

LAST TAKE POINT
2290' FNL, 330' FWL
N.=432803.31
E.=629490.50
LAT.=32.1895328°N
LONG.=104.0483706°W

PPP3
2290' FNL, 1337' FWL
N.=432801.49
E.=630497.02
LAT.=32.1895204°N
LONG.=104.0451170°W

KICK OFF POINT
2290' FNL, 230' FEL
N.=432794.79
E.=634321.70
LAT.=32.1894732°N
LONG.=104.0327536°W

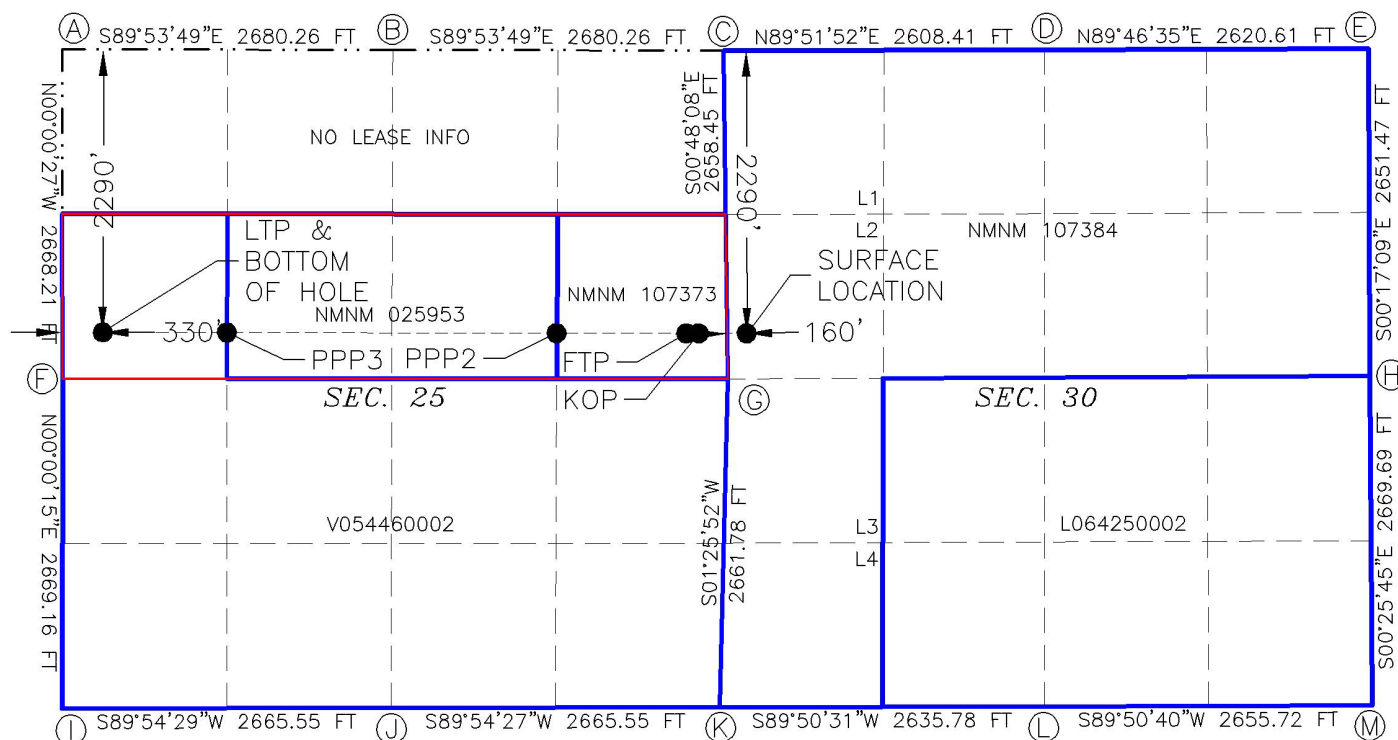
BOTTOM OF HOLE
2290' FNL, 330' FWL
N.=432803.31
E.=629490.50
LAT.=32.1895328°N
LONG.=104.0483706°W

CORNER COORDINATES TABLE

NAD 83 NMSP EAST
A - N.=435093.40 E.=629160.27
B - N.=435088.58 E.=631839.95
C - N.=435083.75 E.=634519.62
D - N.=435091.27 E.=637126.06
E - N.=435100.14 E.=639747.47
F - N.=432425.77 E.=629160.62
G - N.=432426.14 E.=634556.83
H - N.=432449.28 E.=639760.68
I - N.=429757.19 E.=629160.43
J - N.=429761.47 E.=631825.40
K - N.=429765.77 E.=634490.37
L - N.=429773.04 E.=637125.56
M - N.=429780.25 E.=639780.68

FIRST TAKE POINT
2290' FNL, 330' FEL
N.=432794.78
E.=634221.71
LAT.=32.1894739°N
LONG.=104.0330768°W

PPP2
2290' FNL, 1380' FEL
N.=432796.68
E.=633170.36
LAT.=32.1894872°N
LONG.=104.0364753°W



C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP (GAS)
Property Code	Property Name MONGO 25 FED COM	Well Number 702H
OGRID No. 331569	Operator Name 3R OPERATING, LLC	Ground Level Elevation 2925.0
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section 30	Township 24 S	Range 29 E	Lot 2	Ft. from N/S 2260 NORTH	Ft. from E/W 160 WEST	Latitude 32.1895527°N	Longitude 104.0314941°W	County EDDY
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Bottom Hole Location

UL E	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 1670 NORTH	Ft. from E/W 330 WEST	Latitude 32.1912367°N	Longitude 104.0483656°W	County EDDY
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Dedicated Acres 160	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL H	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 1670 NORTH	Ft. from E/W 230 WEST	Latitude 32.1911767°N	Longitude 104.0327761°W	County EDDY
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First Take Point (FTP)

UL H	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 1670 NORTH	Ft. from E/W 330 EAST	Latitude 32.1911780°N	Longitude 104.0330993°W	County EDDY
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Last Take Point (LTP)

UL E	Section 25	Township 24 S	Range 28 E	Lot	Ft. from N/S 1670 NORTH	Ft. from E/W 330 WEST	Latitude 32.1912367°N	Longitude 104.0483656°W	County EDDY
------	------------	---------------	------------	-----	-------------------------	-----------------------	-----------------------	-------------------------	-------------

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
---	---	-------------------------

OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this 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 run leased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order here to fore entered by the division.

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 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.

Signature

Date

Printed Name

Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



Signature and Seal of Professional Surveyor

FILIMON F. JARAMILLO

Certificate Number

PLS 12797

Date of Survey

MARCH 31, 2025

SURVEY NO. 10331B

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.

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 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.

MONGO 25 FED COM 702H
EL. = 2925.0

LEGEND

--- SECTION LINE
--- QUARTER LINE
--- LEASE LINE
--- WELL PATH

GEODETIC COORDINATES

NAD 83 NMSP EAST
SURFACE LOCATION
2260' FNL, 160' FWL
N.=432824.79
E.=634711.23
LAT.=32.1895527°N
LONG.=104.0314941°W

LAST TAKE POINT
1670' FNL, 330' FWL
N.=433423.17
E.=629490.42
LAT.=32.1912367°N
LONG.=104.0483656°W

PPP3
1670' FNL, 1338' FWL
N.=433421.35
E.=630497.86
LAT.=32.1912243°N
LONG.=104.0451089°W

KICK OFF POINT
1670' FNL, 230' FEL
N.=433414.49
E.=634313.02
LAT.=32.1911767°N
LONG.=104.0327761°W

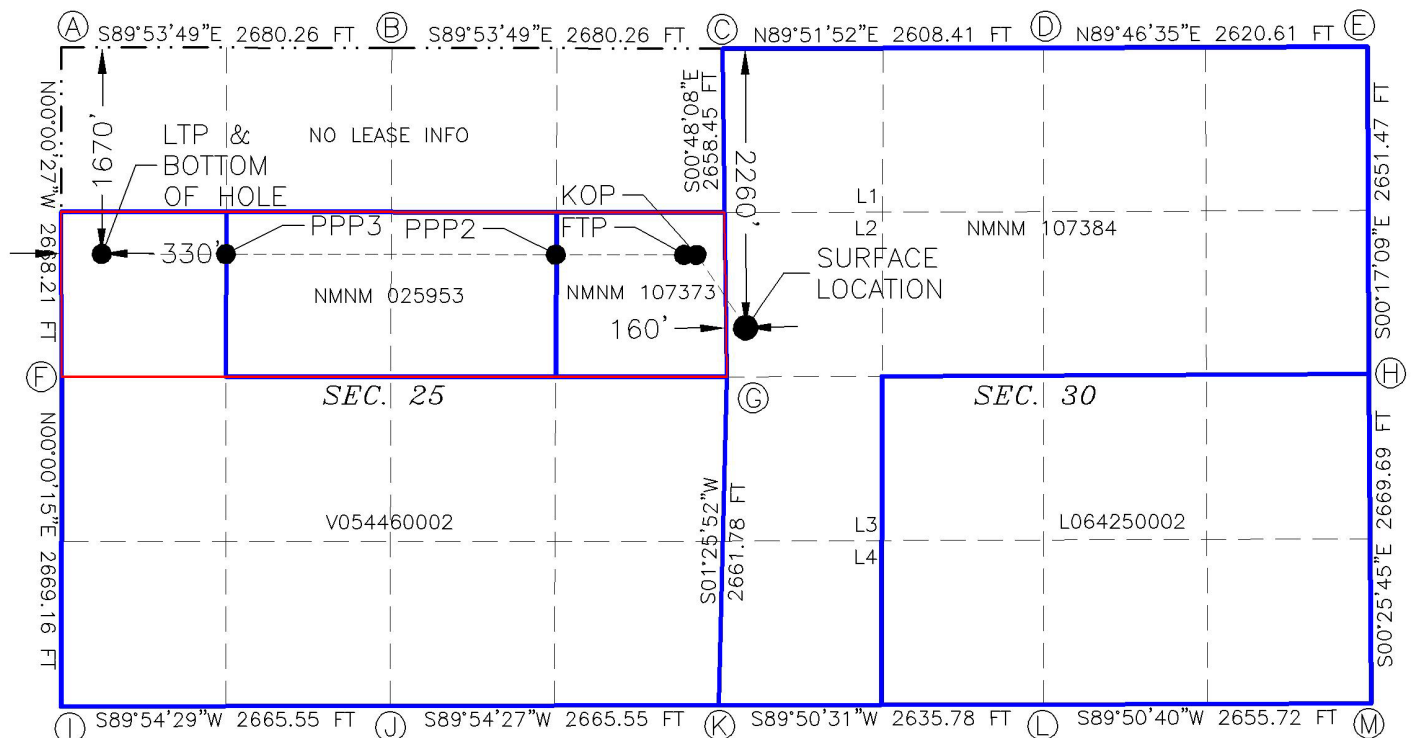
BOTTOM OF HOLE
1670' FNL, 330' FWL
N.=433423.17
E.=629490.42
LAT.=32.1912367°N
LONG.=104.0483656°W

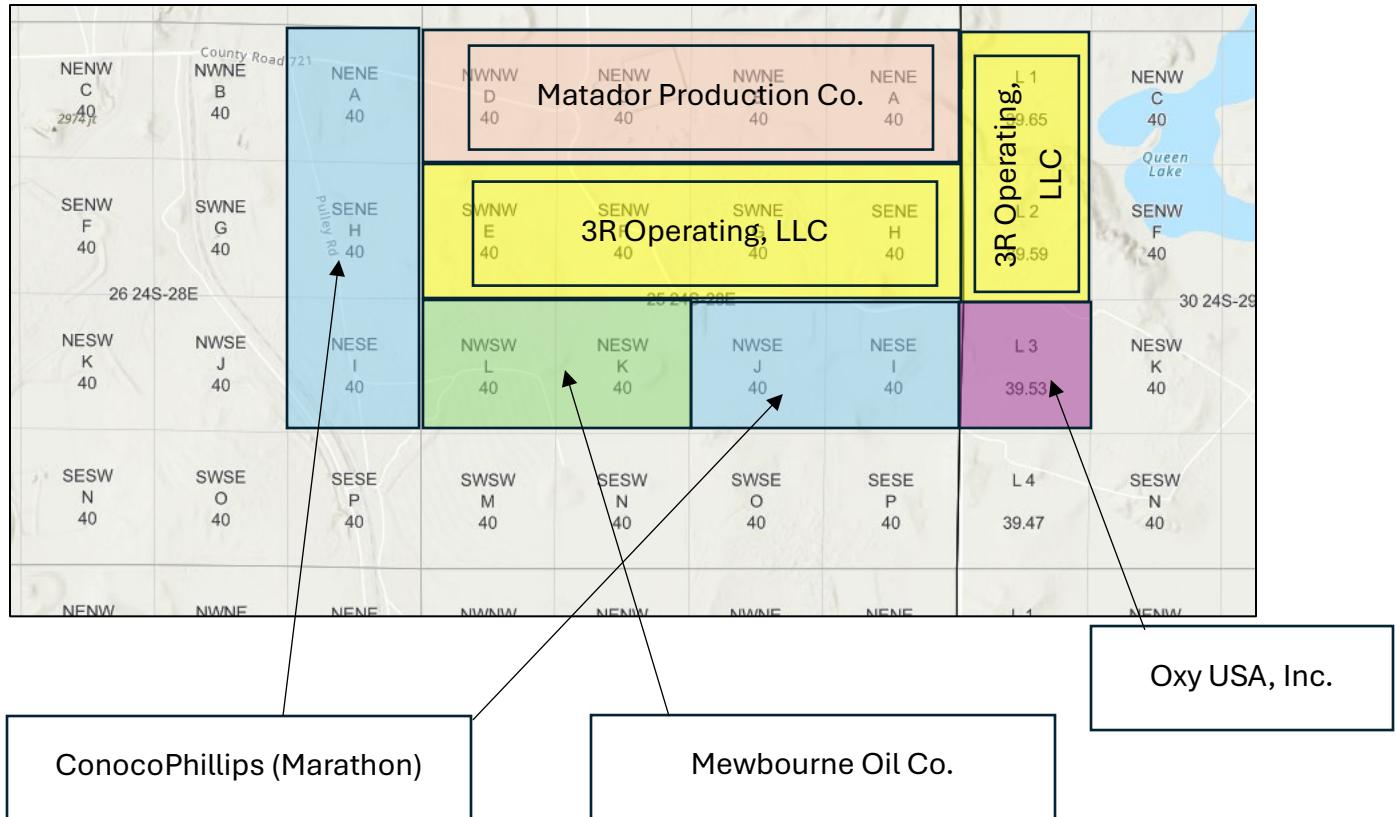
FIRST TAKE POINT
1670' FNL, 330' FEL
N.=433414.67
E.=634213.03
LAT.=32.1911780°N
LONG.=104.0330993°W

PPP2
1670' FNL, 1370' FEL
N.=433416.54
E.=633172.92
LAT.=32.1911911°N
LONG.=104.0364615°W

CORNER COORDINATES TABLE

NAD 83 NMSP EAST
A - N.=435093.40 E.=629160.27
B - N.=435088.58 E.=631839.95
C - N.=435083.75 E.=634519.62
D - N.=435091.27 E.=637126.06
E - N.=435100.14 E.=639747.47
F - N.=432425.77 E.=629160.62
G - N.=432426.14 E.=634556.83
H - N.=432449.28 E.=639760.68
I - N.=429757.19 E.=629160.43
J - N.=429761.47 E.=631825.40
K - N.=429765.77 E.=634490.37
L - N.=429773.04 E.=637125.56
M - N.=429780.25 E.=639780.68





3R Operating Application – Request for Non-Standard Proration Unit
Mongo 25 Fed Com 702H and 752H

Wells:

- Mongo 25 Fed Com 702H and 752H
- Lands traversing: Please see above – Matches proration unit
- No well is within 330' from a lease boundary

Mongo 25 Fed Com 702H and 752H Requested Non-Standard Proration Unit:

- Township 24 South, Range 28 East:
 - Section 25, S/2 N/2
- *Note – Voluntary Agreement (JOA) with WI owners in place

EXHIBIT B

Mongo 25 Fed Com 702H and 752H – Non-Standard Proration Unit Notice List**Name:**

ConocoPhillips Company (Marathon)
600 W. Illinois Avenue
Midland, TX 79701

Tract(s):

Township 24 South, Range 28 East:
Section 25 : N/2 SE/4
Section 26 : E/2 NE/4 and NE/4 SE/4

Matador Production Co.
One Lincoln Center
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

Township 24 South, Range 28 East:
Section 25: N/2 N/2

Mewbourne Oil Co.
500 W. Texas Avenue, Suite 1020
Midland, TX 79701

Township 24 South, Range 28 East:
Section 25: N/2 SW/4

Oxy USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046

Township 24 South, Range 29 East:
Section 30: Lot 3

MEC Petroleum Corp.
(Working Interest Owner)
P.O. Box 11265
Midland, TX 79702

Township 24 South, Range 29 East:
Section 30: Lots 1 and 2

State of New Mexico
310 Old Santa Fe Trail
Santa Fe, NM 87501

State

Bureau of Land Management
301 Dinosaur Trail
Santa Fe, NM 87508

BLM

Mongo 25 Fed Com 702H and 752H NSP Notice – Mailing Information

ConocoPhillips Company
(Marathon) 600 W. Illinois Avenue
Midland, TX 79701
Date Mailed: 5/6/2025
Tracking Number:
9414836208551282122982

Matador Production Co.
One Lincoln Center
5400 LBJ Freeway, Suite 1500 Dallas,
TX 75240
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982

Mewbourne Oil Co.
500 W. Texas Avenue, Suite 1020
Midland, TX 79701
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982

Oxy USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982

MEC Petroleum Corp.
(Working Interest Owner)
P.O. Box 11265
Midland, TX 79702
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982

EXHIBIT C

State of New Mexico
310 Old Santa Fe Trail
Santa Fe, NM 87501
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982

Bureau of Land Management
301 Dinosaur Trail
Santa Fe, NM 87508
Date Mailed: 5/6/2026
Tracking Number:
9414836208551282122982



May 6, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: 3R Operating, LLC
Request for Administrative Approval of Non-Standard Horizontal Spacing Unit

Enclosed is a copy of an administrative applications requesting approval of a non-standard spacing unit for 3R Operating, LLC's Mongo 25 Fed Com wells. An administrative applications for the non-standard spacing unit was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact Brian van Staveren, Land Advisor at Ridge Runner Resources – bvanstaveren@3Roperating.com.

Sincerely,

HARDY McLEAN LLC

/s/ Jaclyn M. McLean
Jaclyn M. McLean

ATTORNEYS FOR 3R OPERATING, LLC

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Jaclyn M. McLean
jmclean@hardymclean.com

Administrative Order NSP - 2289

3R Operating, LLC [OGRID 331569]
Mongo 25 Federal Com Well No. 702H [API No. 30-015-56623]
Mongo 25 Federal Com Well No. 752H [API No. 30-015-56710]
HSU: S/2 N/2 Section 25, T24S, R28E, Eddy County, New Mexico

Reference is made to your application received on May 6th, 2025.

You have requested approval of a non-standard horizontal spacing unit as follows:

Proposed Decreased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
S/2 N/2 of Section 25	160	Purple Sage; Wolfcamp	98220

Area of Exclusion:

Description	Acres
N/2 N/2 of Section 25	160

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit comprising 160 acres, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3) NMAC.

We understand that you are seeking this exception in order to allow you to create a 160-acre, non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above.

NSP - 2289
3R Operating, LLC
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 being excluded.

You have requested this non-standard horizontal spacing unit in order to prevent disproportionate allocation of well ownership within the N/2 N/2 of Section 25 at the expense of owners in the prorated area of Section of concern within the Wolfcamp formation. Approval thereby prevents waste underlying the S/2 N/2 of Section 25, all while protecting correlative rights within the referenced Horizontal Spacing Unit. This non-standard unit excludes the N/2 N/2 of Sections 25.

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 non-standard spacing unit, the well(s) must be in the same horizontal spacing unit and pool/formation. The new well's APD shall reference this NSP order number on Form C-102 with an adjacent letter stating this request.

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.



Albert C.S. Chang, PE
Division Director
AC/lrl

Date: 7/3/2025

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 458847

CONDITIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 458847
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/10/2025