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

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary

Erin Taylor Deputy Secretary Albert C.S. Chang Division Director Oil Conservation Division



Jacob L. Everhart jeverhart@bwenergylaw.com

### ADMINISTRATIVE NON-STANDARD LOCATION

### Administrative Order NSL – 8995

### XTO Permian Operating, LLC [OGRID 373075] Poker Lake Unit 22 DTD Well No. 187H API No. 30-015-49890

Reference is made to your application received on June 4<sup>th</sup>, 2025.

### **Proposed Location**

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	423 FNL & 805 FEL	А	22	24S	30E	Eddy
First Take Point	500 FNL & 110 FEL	А	22	24S	30E	Eddy
Last Take Point	100 FNL & 110 FEL	A/1	03	24S	30E	Eddy
Terminus	50 FNL & 110 FEL	A/1	03	24S	30E	Eddy

### **Proposed Horizontal Units**

Description	Acres	Pool	Pool Code
N/2 NE/4 Section 22	1040.87	Wildcat; Bone Spring	97798
E/2 Section 15			
E/2 Section 10			
E/2 Section 03			

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)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** 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 - quarter section or equivalent.

Administrative Order NSL – 8995 XTO Permian Operating, LLC Page 2 of 2

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 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet 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 Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 110 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 02, encroachment to the W/2 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.

The Division understands you are seeking this unorthodox location in order as your preferred well spacing plan for horizontal wells. Thus, preventing waste and protecting the correlative rights within the Bone Spring formation underlying the N/2 NE/4 Section 22, the E/2 Section 15, the E/2 Section 10 and the E/2 Section 03.

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 the Division deems necessary.

Albert Chang

Albert C.S. Chang Division Director AC/lrl

Date: 7/3/2025

Received by OCD: 6/4/2025 3:37:54 PM

Revised March 23, 2017

Page 3 of 14

		NSL - 8995		
RECEIVED: 06/04/25	REVIEWER:	TYPE:	APP NO:	
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1:	220 South St. Fr	ancis Drive, Santa Fe,	NM 87505	B CONSERVATION OFFIC
		RATIVE APPLICATION C		
		LL ADMINISTRATIVE APPLICATIONS		ON RULES AND
Applicant: XTO Permian Oper				mber: <u>373075</u>
Well Name: Poker Lake Unit			API: <u>30-015-49</u>	
Pool: G-06 S243026M; Bone Sprin	ng		Pool Code	97798
A. Location – Spac				
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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.

Jacob L. Everhart

Print or Type Name

Z. Signature

May 8, 2025 Date

(505) 999 - 0401

Phone Number

jeverhart@bwenergylaw.com e-mail Address

## BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO 87505 TELEPHONE 505-983-8545 FACSIMILE 800-886-6566 www.bwenergylaw.com

OFFICE LOCATIONS

COLORADO

NEW MEXICO

WYOMING

JACOB L. EVERHART Also Admitted in ND, UT

505-999-0401 jeverhart@bwenergylaw.com

June 6, 2025

### **VIA ONLINE FILING**

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

Attention: Leonard Lowe

### Re: XTO Permian Operating, LLC Request for Administrative Approval of Unorthodox Well Location

Poker Lake Unit 22 DTD #187H (API No. 30-015-49890) NE/4NE/4 of Section 22, Township 24 South, Range 30 East, Eddy County, New Mexico Wildcat G-06 S243026M; Bone Spring [Pool Code: 97798]

Dear Mr. Lowe:

In accordance with Division Rules 19.15.16.15(C)(6) NMAC and applicable rules governing acreage and well location requirements for the G-06 S243026M; Bone Spring [97798], XTO Permian Operating, LLC ("XTO") (OGRID No. 373075) seeks administrative approval of an unorthodox well location for its Poker Lake Unit 22 DTD #187H well in a 1,040.87-acre, more or less, horizontal spacing unit underlying the E/2 of Sections 3, 10, and 15, and the N/2NE/4 of Section 22, all in Township 24 South, Range 30 East, Eddy County, New Mexico.

The location for the Poker Lake Unit 22 DTD #187H well is as follows:

- Surface Hole Location: 423' FNL and 805' FEL (Unit A) of Section 22
- First Take Point: 500' FNL and 110' FEL (Unit A) of Section 22
- Last Take Point: 100' FNL and 110' FEL (Lot 1) of Section 3
- Bottom Hole Location: 50' FNL and 110' FEL (Lot 1) of Section 3

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330' offset to the eastern section line boundary. The **Poker Lake Unit 22 DTD #187H** well encroaches on the spacing unit in the W/2 of Sections 2, 11, and 14 in Township 24 South, Range 30 East, Eddy County, New Mexico. Approval of the unorthodox location will allow XTO to use its preferred well spacing plan for horizontal wells, which will prevent waste and protect correlative rights.

### **BEATTY & WOZNIAK, P.C.**

March 26, 2025 Page 2

The unorthodox well location may encroach toward the NW/4 of section 2, 24S, 30E, and the SW/4 SW/4 of Section 35 and the SE/4 SE/4 of 23S, 30E, N.M.P.M., Eddy County, NM.

**Exhibit A** is a certification from the landman indicating that he has reviewed the tracts affected by this request.

**Exhibit B** is an updated Form C-102 showing the **Poker Lake Unit 22 DTD #187H** well encroachment on the tracts to the East in the W/2 W/2 of sections 2, 11, 14, and 23 of Township 24 South, Range 30 East, including the completed intervals.

**Exhibit** C is a plat for sections 3, 10, 15, and 22 of Township 24 South, Range 30 East, that shows the **Poker Lake Unit 22 DTD #187H** well in relation to the adjoining tracts and/or proposed spacing units. The designated operator of the federal oil and gas spacing unit (BLM Serial No. NMNM105829390) is also XTO.

**Exhibit D** is a list of affected persons who were sent a copy of this application and 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 time and attention to this matter. Please let me know if you require additional information.

Very truly yours,

BEATTY & WOZNIAK, P.C.

Jacob L. Everhart Attorney for XTO Permian Operating, LLC



XTO Energy Inc. Land Dept. 22777 Springwoods Village Pkwy Spring TX 77389-1425 346-998-2538 - Direct Phone William.davis@exxonmobil.com

March 26, 2025

#### **Certificate of Ownership**

I have reviewed the ownership of the oil and gas leasehold in the horizontal spacing unit underlying the E/2 of sections 3, 10, 15 and the N/2 NE/4 of Section 22 Township 24 South, Range 30 East, Eddy County, New Mexico for purposes of the unorthodox location for XTO's **Poker Lake Unit 22 DTD #187H** well located in the E/2 E/2 of Sections 3, 10, and 15 and the N/2 NE/4 of Section 22 of Township 24 South, Range 30 East, Eddy County, New Mexico. As of the date of this letter, the affected partes are:

#### See Attached EXHIBIT "D"

Sincerely,

XTO Permian Operating, LLC.

William Gregory Davis Commercial and Land Advisor

An ExxonMobil Subsidiary

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of 14

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riopen	y Code		Flopenty IN	ame	POKER LA	AKE UNIT 22 DTD				187H
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UL	Section	Township	Range	Lot	Surface Ft. from N/S	Hole Location	Latitude		Longitude	County
A	22	24S	30E	Lot	423 FNL	805 FEL	32.209		-103.862883	County EDD
<u>^</u>	~~~~	243			423 T NL	003 T EE	52.203	425	-103.002003	
UL	Section	Township	Range	Lot	Bottom Ft. from N/S	Hole Location Ft. from E/W	Latitude		Longitude	County
	3	24S	30E	1	50 FNL	110 FEL	32.253	968 .	-103.860604	EDD
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UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County
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		1			First Ta	lke Point (FTP)	_	I		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County
Α	22	24S	30E		500 FNL	110 FEL	32.209	232	-103.860635	EDD
UL	Section	Township	Range	Lot	Last Ta	ke Point (LTP) Ft. from E/W	Latitude		Longitude	County
-2	3	24S	30E	1	100 FNL	110 FEL	32.253		-103.860604	EDD
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OPERA	TOR CERTI	FICATIONS				SURVEYOR CERTIFIC	CATIONS			
					nd complete to the	I hereby certify that the				
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## Exhibit B



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# **E‰onMobi**l

## Poker Lake Unit 22 DTD 187H NSL

Eddy County, NM





**Exhibit** C



Document Path: O:\Arcview\Projects\Kelli\\_Project\_MXDs\PD\_GregDavis\_PLU\_22DTD\_187H\_NonStandardSpacingUnit\_AreaOnly.mxd

## ExconMobil

## Poker Lake Unit 22 DTD Fed State Com **Non-Standard Spacing Unit**

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_	( <b>111</b> )				
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NOTIFICATION AREA

POKER LAKE UNIT

**Operator:** Oxy USA Inc. WI Owner: Oxy USA Inc, Conoco Phillips Company Type: Federal Acreage

**Operator:** XTO Permian Operating WI Owner: XTO Delaware Basin, Chevron USA Type: State Acreage

PROPOSED NON-STANDARD SPACING UNIT

**Operator:** Unleased WI Owner: None Type: Federal Minerals

**POKER LAKE UNIT** 

Page 10 of 14





### Exhibit D

### **BEATTY & WOZNIAK, P.C.**

ATTORNEYS AT LAW 1675 BROADWAY, SUITE 600 DENVER, COLORADO 80202 TELEPHONE 303-407-4499 FAX 1-800-886-6566 www.bwenergylaw.com

OFFICE LOCATIONS

COLORADO

NEW MEXICO

WYOMING

JACOB L. EVERHART also admitted in co, ND, & UT

(505) 999 – 0401 Jeverhart@bwenergylaw.com

June 4, 2025

### VIA CERTIFIED MAIL

### **TO AFFECTED PARTIES**

## **RE:** XTO Permian Operating, LLC Request for Administrative Approval of Unorthodox Well Location

Poker Lake Unit 22 DTD #187H (API No. 30-015-49890) NE/4NE/4 of Section 22, Township 24 South, Range 30 East, Eddy County, New Mexico Wildcat G-06 S243026M; Bone Spring [Pool Code: 97798]

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Oil Conservation Division (the "Division") on this date. Any objections that you have to these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within the twenty-day period, the application may be approved administratively by the Division.

If you have any questions regarding this application, please contact:

Greg Davis Commercial & Land Advisor XTO Permian Operating william.davis@exxonmobil.com

Sincerely,

Jacob L. Everhart Attorney for XTO Permian Operating, LLC

	Exhibit D - Af	fected Person(s)	
Acreage Description	Operator	WI Owners	Acreage Type
All of Sec. 34-23S-30E	Unleased	None	Project Gnome
All 01 Sec. 34-233-30E	Officased	None	Federal Minerals
		OXY USA Inc	
		Occidental Permian LP	
		5 Greenway Plaza, Suite 110	
All of Sec. 35-23S-30E	Oxy USA Inc.	Houston, Texas 77046	Federal
All 01 Sec. 53-255-50E			NMNM 0531277A
		Conoco Philliips Company	
		600 W Illinois Ave	
		Midland, TX 79701	
		XTO Delaware Basin ,LLC	
N/2 of Sec. 2-24S-30E	XTO Permian Operating, LLC	<b>Chevron USA Inc.</b> 1400 Smith Street Houston, TX 77002	State of New Mexico E0-5229-0011

## **Exhibit D**

69	U.S. Postal Service <sup>™</sup> CERTIFIED MAIL <sup>®</sup> RECEIPT Domestic Mail Only
90	For delivery information, visit our website at www.usps.com <sup>®</sup> .
6	OFFICIAL USE
0710 5270 0749	Certified Mail Fee
9589	Street and Apt. No., or PO Box No. City, State, ZIP+4®
	PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions







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:
XTO PERMIAN OPERATING LLC.	373075
6401 HOLIDAY HILL ROAD	Action Number:
MIDLAND, TX 79707	470857
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

Created By		Condition Date
llowe	None	6/11/2025

Page 14 of 14