

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Erin Taylor
Acting Cabinet Secretary

Ben Shelton
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Deana M. Bennett
deana.bennett@modrall.com

Administrative Order NSP – 2415

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Coterra Energy Operating, Co. [OGRID 215099]
Hallertau 5 Federal Com Well No. 01H (API No. 30-025-40436)
HSU: Section 05, T26S R32E, Lea County

Reference is made to your application received on May 7th, 2026.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
Section 05	640	Wildcat; Lwr Bone Spring	97903

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

NSP – 2415
Coterra Energy Operating Co.
Page 2 of 2

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

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 to be being included.

You have requested this non-standard spacing unit to promote effective well spacing, to allow for full development of acreage, to efficiently locate surface facilities, and to reduce surface disturbance by consolidating roads, tanks and pipelines underlying the entirety of Section 05 within the Bonespring formation. Therefore, preventing waste within the unit and protecting the correlative rights of all parties affected.

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
Division Director
AC/lrl

Date: 07/10/2026

ID NO. 583089

NSP - 2415

Revised March 23, 2017

RECEIVED: 05/07/26	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: Coterra Energy Operating Co.**OGRID Number:** 215099**Well Name:** Hallertau 5 Federal Com 1H**API:** 30-025-40436**Pool:** WC-025 G-08 S253235G;LWR BONE SPRING**Pool Code:** 97903

**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.

Deana M. Bennett

Print or Type Name

Signature

May 7, 2026

Date

505-848-1834

Phone Number

deana.bennett@modrall.com

e-mail Address



MODRALL SPERLING

L A W Y E R S

VIA ELECTRONIC FILING

May 7, 2026

Deana M. Bennett
505.848.1834
Deana.bennett@modrall.com

Director Albert Chang
And
OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Coterra Energy Operating Co. for administrative approval of a non-standard spacing unit in the Bone Spring formation comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico.

Dear Director Chang /OCD Engineering Bureau:

Coterra Energy Operating Co. ("Coterra"), OGRID number 215099, respectfully requests administrative approval of a non-standard unit ("NSU") in the Bone Spring formation comprised of Section 5, Township 26 South, Range 2 East, Lea County, New Mexico.

This application covers the **WC-025 G-08 S253235G; Lower Bone Spring** pool (Code 97903).

Coterra requests that the following existing well¹ (the "Well") be dedicated to this NSU:

<u>Well Name</u>	<u>API Number</u>
Hallertau 5 Federal Com 1H	30-025-40436

A C-102 for the Well is attached hereto as **Exhibit A**. The Well will comply with the statewide setback requirements for the non-standard spacing unit.

Coterra is requesting this NSU for several reasons. First, approval of the NSU will allow for full and efficient development of this acreage and will minimize surface disturbance by allowing Coterra to consolidate facilities and commingle production from wells in the proposed NSU. Second, Coterra is requesting approval of this NSU to promote effective well spacing by removing the setback requirements from the center line and the quarter-quarter lines to allow for more efficient spacing.

¹ The existing well is currently dedicated to a 160-acre horizontal spacing unit. Coterra's goal is to create a single approximately 640-acre horizontal spacing unit.

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

Page 2

A tract map is attached hereto as **Exhibit B**, which identifies the approximate Well location. Exhibit B includes attachments that compare and contrast the standard versus non-standard unit scenario.

Exhibit C is a letter from reservoir engineer explaining the need for a non-standard unit and the benefits associated with a non-standard, as opposed to a standard, unit.

Proof of mailing notice of the application (including a copy of the application) to affected persons entitled to notice is attached hereto as **Exhibit D**. Also included in Exhibit D is a map identifying the affected tracts and ownership for notice purposes. **Exhibit E** is a letter from Coterra's landman confirming that Coterra owns 100% of the working interest in the W/2W/2 of Section 4, Township 26 South, Range 32 East.

Your attention to this matter is appreciated.

Sincerely,



Deana M. Bennett

*Attorney for Coterra Energy
Operating Co.*

HOBBS OCD

SEP 09 2013

Form C-102

Revised July 10, 2010

HOBBS OCD

DISTRICT I

1025 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources DepartmentRECEIVED copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40436	Pool Code 97903	Well Name 6-06-32632-1 Bone Spring Wildcat
Property Code 38778	Property Name HALLERTAU "5" FEDERAL COM	Well Number 1H
OCRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3253'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	26 S	32 E		330	SOUTH	330	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	5	26 S	32 E		333	NORTH	639	EAST	LEA
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

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

PROPOSED BOTTOM HOLE LOCATION Lot - N 32°03'43.37" Long - W 103°41'26.89" NMSPC - N 392965.441 E 740345.517 (NAD-83) EOC 616 FSL & 352 FEL SURFACE LOCATION Lot - N 32°03'57.03" Long - W 103°41'22.98" NMSPC - N 388284.981 E 740711.943 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Aricka Easterling</i> 8/30/13 Signature Date Aricka Easterling Printed aeasterling@cimarex.com Email Address SURVEYOR CERTIFICATION 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. <i>Mary L. Jones</i> Date Surveyed Signature of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS 24494
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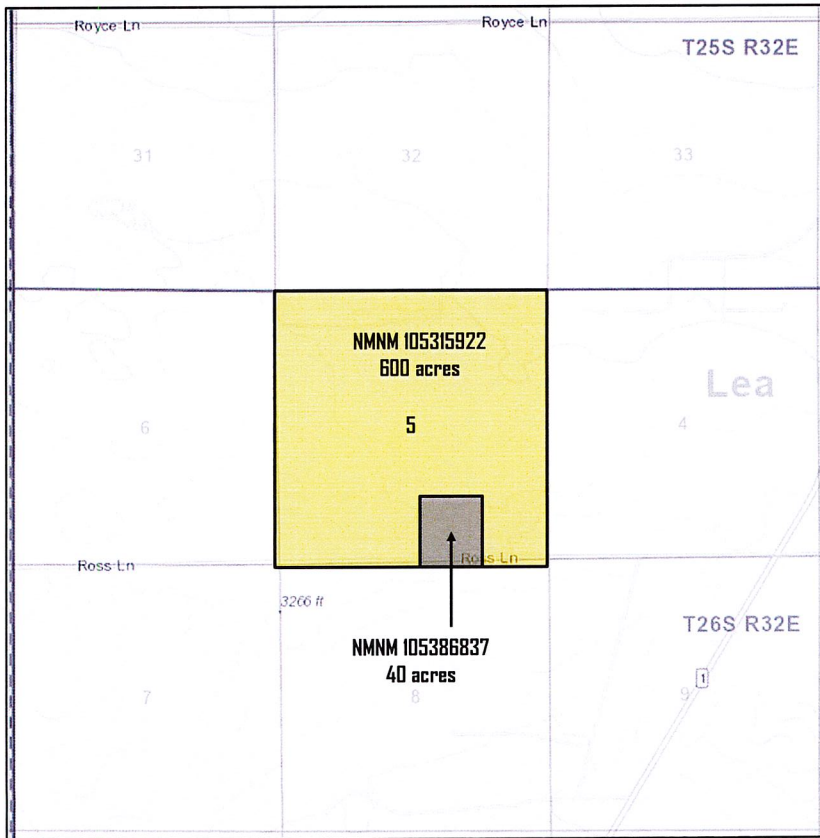
EXHIBIT

A

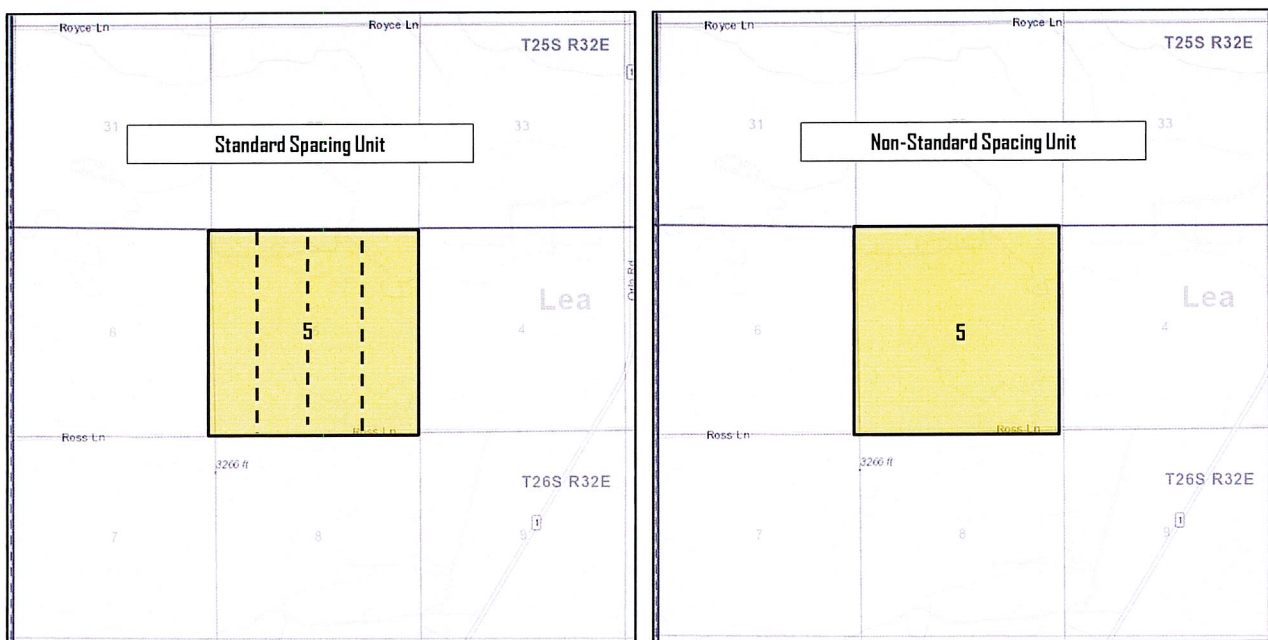
OCT 03 2013

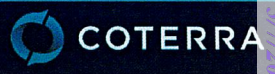


HALLERTAU 5 FEDERAL COM AREA
Operator - Coterra Energy Operating Co. (215099)
Proposed Non-Standard Spacing Unit - Bone Spring
Section 5, Township 26 South, Range 32 East, containing 640 acres

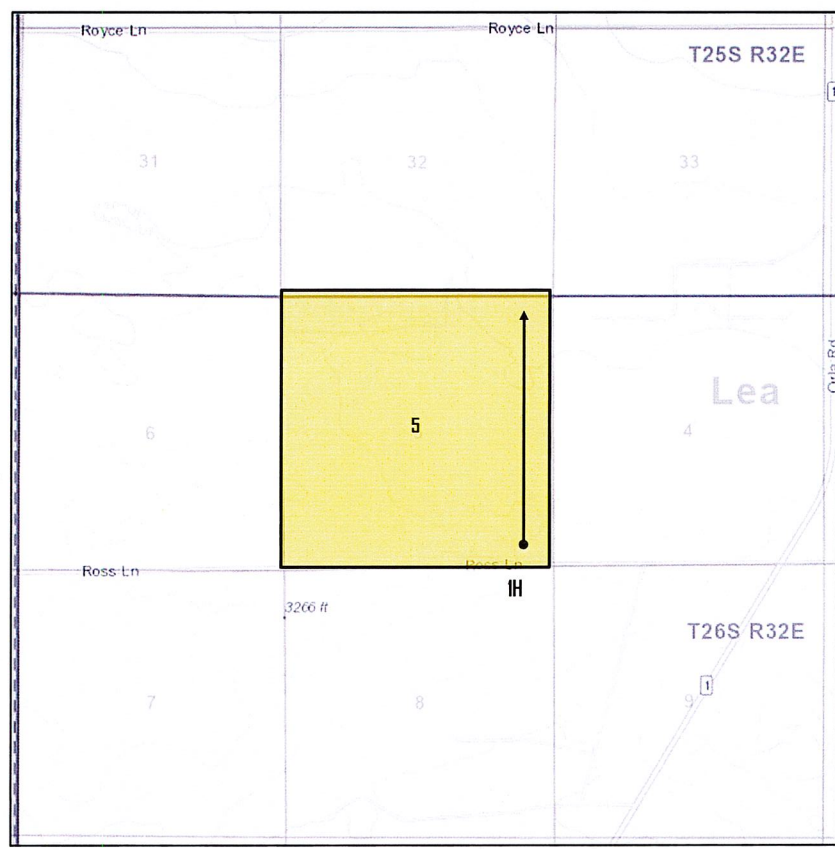


HALLERTAU 5 FEDERAL COM AREA
Standard Spacing Unit v. Non-Standard Spacing Unit





HALLERTAU 5 FEDERAL COM AREA
1 Existing Bone Spring Well (97903)





Coterra Energy Inc.
Permian Business Unit
6001 Deauville Blvd.
Suite 300N
Midland, TX 79706

T 432.571.7800
coterra.com

May 6, 2026

VIA E-FILING

Director Albert Chang
And
OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Application of Coterra Energy Operating Co. for administrative approval of a non-standard spacing unit in the Bone Spring formation comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico.

Dear Director Chang/OCD Engineering Bureau:

Coterra Energy Operating Co., a subsidiary of Coterra Energy Inc., OGRID Number 215099 ("Coterra"), respectfully requests administrative approval of a 640-acre, more or less, nonstandard spacing unit ("NSU") comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico.

Coterra requests that the following existing well be included in the NSU approved order:

<u>Well Name</u>	<u>API Number</u>
Hallertau 5 Federal Com 1H	30-025-40436

The Well targets the Bone Spring formation and the pool underlying the proposed non-standard spacing unit is the WC-025 G-08 S253235G; LWR Bone Spring pool (Code 97903), which follows the statewide spacing rules.

The existing well is currently dedicated to a 160-acre horizontal spacing unit in the E/2E/2 of Section 5. Coterra's goal is to create a single approximately 640-acre, more or less, spacing unit covering all of Section 5.

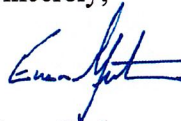
Approval of Coterra's application promotes effective well spacing because it will allow for full development of the acreage, promote efficiently located surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing, and will allow Coterra to commingle production.



In my opinion, approval of the NSU is in the best interest of conservation, prevention of waste, and protection of correlative rights.

Thank you for your consideration. Should you have any questions please contact me at evan.gutherman@coterra.com or (484) 985-5404.

Sincerely,

A handwritten signature in blue ink, appearing to read "Evan Gutherman", with a stylized flourish at the end.

Evan Gutherman, EI
Reservoir Engineer
Cottera Energy Operating Co.



May 7, 2026

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL

TO AFFECTED PARTIES

Re: Applications of Coterra Energy Operating Co. for administrative approval of a non-standard spacing unit in the Bone Spring formation comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico.

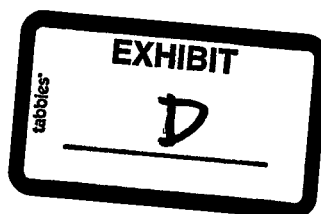
Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to this application 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 this twenty-day period, the applications may be approved administratively by the Division.

Sincerely,

A handwritten signature in cursive script that reads 'Deana M. Bennett'.

Deana M. Bennett
*Attorney for Coterra Energy
Operating Co.*



Modrall Sperling
Roehl Harris & Sisk P.A.

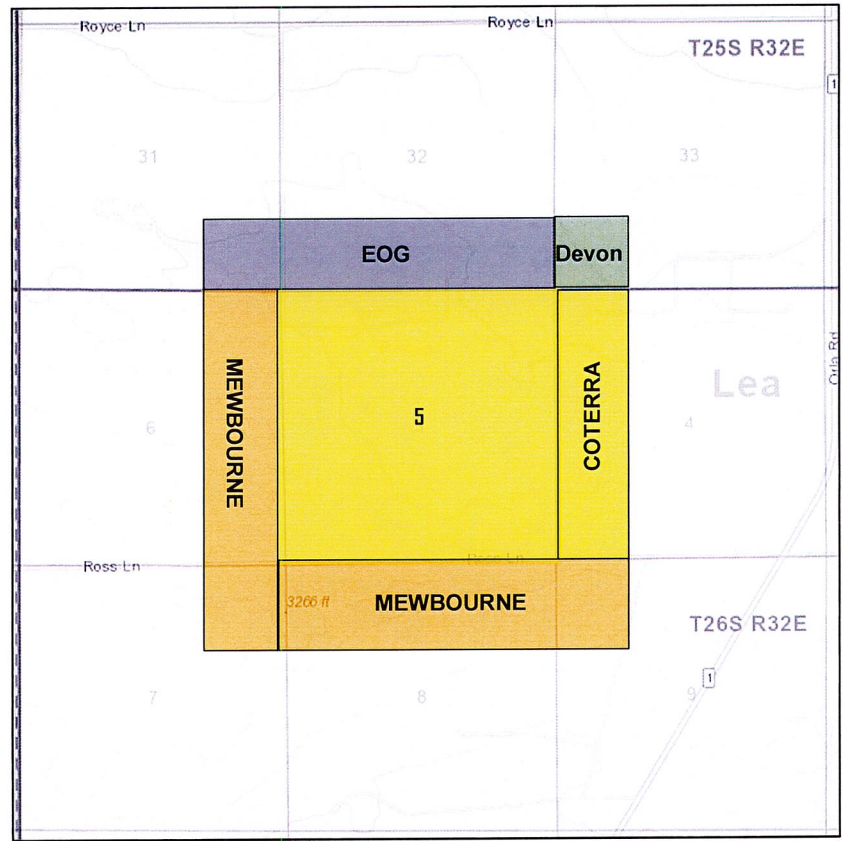
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



HALLERTAU 5 FEDERAL COM AREA
Offset Ownership



Offsetting Sec/Tract	Serial #	Operator	WI Owners & Gov Agency	Address	Notice Mailed
SE4SE4 31-T25S-R32E	NMNM105395299	EOG Resources Inc. [7377]	EOG Resources Inc.	1111 Bagby Sky Lobby 2, Houston, TX 77002	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
S2 32-T25S-R32E	VB-777	EOG Resources Inc. [7377]	EOG Resources Inc.	1111 Bagby Sky Lobby 2, Houston, TX 77002	5/7/2026
			State of New Mexico	310 Old Santa Fe Trail, Santa Fe, NM 87504	5/7/2026
SW4SW4 33-T25S-R32E	NMNM105385851	Devon Energy Production Co. LP [6137]	Devon Energy Production Co. LP	333 W. Sheridan Ave., Oklahoma City, OK 73102	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
W2W2 4-T26S-R32E	NMNM105315922	Coterra Energy Operating Co. [215099]	Coterra Energy Operating Co. (100%)	6001 Deauville Blvd., Suite 300N, Midland, TX 79706	NA
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
NW4NW4 9-T26S-R32E	NMNM105305989	Mewbourne Oil Co. [14744]	Mewbourne Oil Co.	P.O. Box 5270, Hobbs, NM 88240	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
N2NE4 8-T26S-R32E	NMNM105544954	Mewbourne Oil Co. [14744]	Mewbourne Oil Co.	P.O. Box 5270, Hobbs, NM 88240	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
N2NW4 8-T26S-R32E	NMNM105305987	Mewbourne Oil Co. [14744]	Mewbourne Oil Co.	P.O. Box 5270, Hobbs, NM 88240	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
NE4NE4 7-T26S-R32E	NMNM105386837	Mewbourne Oil Co. [14744]	Mewbourne Oil Co.	P.O. Box 5270, Hobbs, NM 88240	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026
E2E2 6-T26S-R32E	NMNM105305990	Mewbourne Oil Co. [14744]	Mewbourne Oil Co.	P.O. Box 5270, Hobbs, NM 88240	5/7/2026
			Bureau of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508	5/7/2026

Released to Imaging: 7/13/2026 10:36:22 AM

Marlene Schuman
Dorall Sperling Roehl Harris & Sisk P.A.
100 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
05/07/2026

Firm Mailing Book ID: 310840

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0149 6369 66	EOG Resources Inc. Land Department 5509 Champions Dr. Midland TX 79706	\$2.72	\$5.30	\$2.82	\$0.00	11522Hallertau 54. Notice
2	9314 8699 0430 0149 6369 73	State of New Mexico 310 Old Santa Fe Trail Santa Fe NM 87504	\$2.72	\$5.30	\$2.82	\$0.00	11522Hallertau 54. Notice
3	9314 8699 0430 0149 6369 80	Devon Energy Production Co. LP 333 W. Sheridan Ave. Oklahoma City OK 73102	\$2.72	\$5.30	\$2.82	\$0.00	11522Hallertau 54. Notice
4	9314 8699 0430 0149 6369 97	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$2.72	\$5.30	\$2.82	\$0.00	11522Hallertau 54. Notice
5	9314 8699 0430 0149 6370 00	Mewbourne Oil Co. PO Box 5270 Hobbs NM 88240	\$2.72	\$5.30	\$2.82	\$0.00	11522Hallertau 54. Notice
Totals:			\$13.60	\$26.50	\$14.10	\$0.00	
			Grand Total:			\$54.20	
List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:				
5							

Received by OCD: 5/7/2026 4:11:12 PM



Coterra Energy Inc.
Permian Business Unit
6001 Deauville Blvd.
Suite 300N
Midland, TX 79706

T 432.571.7800
coterra.com

April 15, 2026

VIA EFILING

OCD Engineering Bureau
Oil Conservation Division
Energy, Minerals and Natural Resource Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Coterra Energy Operating Co. for administrative approval of a non-standard spacing unit in the Bone Spring formation comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico.

Dear OCD Engineering Bureau:

I am a landman for Coterra Energy Operating Co. ("Coterra"). Coterra has requested administrative approval of a of a 640-acre, more or less, nonstandard spacing unit ("NSU") comprised of Section 5, Township 26 South, Range 32 East, Lea County, New Mexico. As noted in the NSU application materials, the NSU will encroach towards the W/2W/2 of Section 4, Township 26 South, Range 32 East.

As a landman for Coterra, I have knowledge of the ownership of the W/2W/2 of Section 4, Township 26 South, Range 32 East. I confirm that Coterra is the operator and owns 100% of the working interest in the W/2W/2 of Section 4, Township 26 South, Range 32 East.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andy D. Jandsey", is written over a horizontal line.

Land Representative



Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/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 583089

CONDITIONS

Operator: Coterra Energy Operating Co. 6001 Deauville Blvd Midland, TX 79706	OGRID: 215099
	Action Number: 583089
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/11/2026