

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



November 10, 2016

Mewbourne Oil Company
Attn: Mr. James Bruce

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7477

Mewbourne Oil Company
OGRID 14744
Crazy Wolf 1 2 B2CD Federal Com Well No. 1H
API No. 30-025-42793

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1301` FNL & 2570` FEL	2	1	19S	32E	Lea
Penetration Point	1026` FNL & 2117` FWL	3	1	19S	32E	Lea
Final perforation	386` FNL & 370` FWL	4	2	19S	32E	Lea
Terminus	386` FNL & 332` FWL	4	2	19S	32E	Lea

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Lot 3, Lot 4, and S/2 NW/4 of Section 1	160	Lusk; Bone Spring, East	41442
Lot 1, Lot 2, Lot 3, Lot 4, and S/2 N/2 of Section 2	320		

Reference is made to your application received on September 21, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by Special Rules for the Lusk; Bone Spring, East which provides for 160-acre units, with wells located no nearer than 660 feet to a unit outer boundary of the proration unit nor nearer than 330 feet to any government quarter – quarter section line. This surface location is outside the project area, and is permitted by Rule 19.15.16.15 B (4) NMAC which allows for surface location outside the project area. The proposed Project Area is comprised of three contiguous units within two sections

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is required to maximize wellbore length and likewise the location is unorthodox in order to maximize the wellbore's productive interval.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is 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.


DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office