State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary **Dylan M. Fuge, Director** Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

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NON-STANDARD LOCATION

Administrative Order NSL - 8620

Mewbourne Oil Company [OGRID 14744] Salado Draw 10 W0OB Federal Com Well No. 2H API No. 30-025-49388

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	Sec.	Twsp	Range	County
Surface	235 FSL & 2030 FEL	O	10	26S	33E	Lea
First Take Point	100 FSL & 2310 FEL	O	10	26S	33E	Lea
Last Take Point/	100 FNL & 2310 FEL	В	10	26S	33E	Lea
Terminus						

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
All of Section 10	640	Red Hills; Wolfcamp (GAS)	83600

Reference is made to your application received on July 17th, 2023.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R - 3073, for the Red Hills; Wolfcamp (Gas) Pool and provides for 640-acre proration units, with set back requirements of at least 660 feet from the unit outer boundary and no closer than 10 feet to any interior quarter – quarter section line.

This well's completed interval is as close as 100 feet to the southern edge and 100 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tract.

Section 15, encroachment to the E/2 Section 03, encroachment to the E/2

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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 in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying all of Section 10. Thereby preventing waste within the formation all while protected the correlative rights of affected parties.

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: 8/13/2023

DYLANM. FØGE

DIRECTOR

DMF/lrl

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

CONDITIONS

Action 251696

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	251696
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	8/14/2023