State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Deputy Secretary – Designate

Ben Shelton Deputy Secretary (Acting) **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Mr. Brad Dunn bdunn@mewbourne.com

Administrative Order NSP – 2226

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Mewbourne Oil Company [OGRID 14744]

Double Stamp 9 8 Federal Com Well No. 526H [API No. 30-015-50212] Double Stamp 9 8 Federal Com Well No. 528H [API No. 30-015-50125] HSU: Section 09 & Section 08, T18S R29E, Eddy County

Reference is made to your application received on September 12th, 2024.

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/Formation	Pool Code
S/2 Section 09	640	Sand Tank; Bone Spring	96832
S/2 Section 08		· •	

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a nonstandard 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.

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 Eddy 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.

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It is requested that a non-standard horizontal spacing unit is needed in order eliminate the need for separate facilities, additional administrative approvals, and to maximize the recovery of oil and gas reserves within the Bone Spring formation. Thereby, reducing waste underlying the entirety of S/2 Section 09 and S/2 Section 08 within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the abovedescribed **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: <u>ocd.engineer@emnrd.nm.gov</u> of notice for additional wells.

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.

Date: <u>10/23/24</u>

Gerasimos Razatos Division Director (Acting) GR/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

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	397418
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	10/30/2024

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Action 397418