

NSL - 9222

Revised March 23, 2017

ID NO. 534663

RECEIVED: <b>12/15/25</b>	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: SCO Permian, LLC OGRID Number: 330782  
 Well Name: Teague 16 State 3 API: 30-025-22639  
 Pool: Teague; Glorieta-Paddock, SW Pool Code: 58595

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 holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.

Brian Wood  
 Print or Type Name

*Brian Wood*  
 Signature

11-12-25  
 Date

505 466-8120  
 Phone Number

brian@permitswest.com  
 e-mail Address



**NON-STANDARD LOCATION (NSL) APPLICATION  
SCO PERMIAN OPERATING, LLC  
TEAGUE 16 STATE 3  
API 30-025-22639  
SHL & BHL: 329' FSL & 991' FWL 16-23S-37E  
LEA COUNTY, NM**

I. This proposed Teague; Glorieta-Upper Paddock, SW (58595) re-entry of a P&A vertical oil well is on NMSLO surface and NMSLO oil and gas lease VB-2968-0000. The lease is comprised of the SW4 16-23s-37e. SCO Permian, LLC will dedicate the 40.00 acres in Unit Letter M. Well goal is the Glorieta.

The well is nonstandard because it is one-foot too far south and one-foot too far east. (The well (fka, Elk State 2) was originally surveyed in 1968, approved, and produced as 330' FSL and 990' FWL. A 2025 survey found a one-foot discrepancy in two directions. The well is actually at 329' FSL & 990.5' FWL.) Closest lease line is 329' south. Closest standard spacing would place the well at 330' FSL and 990' FWL. The APD cover sheet is attached as Exhibit A. The well is nonstandard because that is where it is located.

II. Exhibit B, Form C-102, shows the wellbore and dedication.

III. Leases are shown on EXHIBIT C. The well encroaches to the south and east. To the south is a BLM lease. FAE II Operating LLC operates the CE Lamunyon 40, 52, and 59 Paddock-Blinebry wells in the N2NW4 Section 21. To the east is a NMSLO lease which is part of the same lease on which the Teague 16 State 3 is located. SCO Permian Operating, LLC operates the Teague 16 State 2 in the SESW Section 16. Teague 16 State 2 is a Teague; Glorieta-Upper Paddock, SW oil well. This information is current and correct.

IV. Exhibit D shows the proposed NSL well and existing wells. Exhibit E shows all existing Glorieta dedications (to the northeast and east).

V. Archaeology is not an issue.

VI. The need is to recover additional reserves and prevent waste. Well had previously produced from the Blinebry and Tubb.

VII. SCO Permian Operating, LLC does not believe directionally drilling to a standard location would be economical. SCO Permian Operating, LLC believes its proposed location will recover new reserves.

VIII. SCO Permian Operating, LLC is the lessee of the 40.00-acre dedication (N-16-23s-37e) toward which the well will encroach in one direction (east). Royalty interests are common. FAE II, LLC is the owner of 100% of the leasehold interest as to all depths in the NW4 21-23s-37e in the other direction (south) toward which the well will encroach.

I hereby attest that I, on or before the date that the application was submitted to the NMOCD, sent notification to the affected persons (see EXHIBIT F) by certified mail, return receipt requested, advising them that if they have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. These affected persons have working or royalty interests in the quarter-quarters toward which the well will encroach. Said notice was sent to:

BLM  
FAE II, LLC, aka, FAE II Operating, LLC  
NM State Land Office

TYPE	AFFECTED PARTY	LOCATION	DATE LETTER SENT	MAIL TRACKING NUMBER
LESSOR	BLM	N2NW4 21-23s-37e	11/12/25	7022 1670 0002 1187 2978
OPERATOR & LEASEHOLD INTERESTS	FAE	N2NW4 21-23s-37e	11/12/25	7022 1670 0002 1187 2985
LESSOR	NMSLO	SESW 16-23s-37e	11/12/25	7022 1670 0002 1187 2992
OPERATOR & LEASEHOLD INTERESTS	SCO	SESW 16-23s-37e	N/A	N/A

*Brian Wood*

*11-12-25*

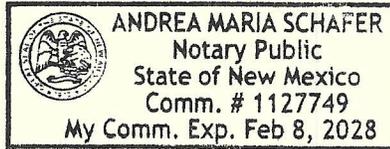
\_\_\_\_\_  
Brian Wood, Consultant

\_\_\_\_\_  
Date

STATE OF NEW MEXICO     )  
                                          ) SS:  
COUNTY OF SANTA FE     )

The foregoing instrument was acknowledged before me this 12th day of November 2025 by Brian Wood. Witness my hand and official seal.

*AM Schaffer*



\_\_\_\_\_  
Notary Public

My Commission Expires: 8 Feb 2028

1625 N. French Dr., Hobbs, NM 88240  
 Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
 1000 Rio Brazos Road, Aztec, NM 87410  
 Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
 1220 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-101  
 Revised July 18, 2013

AMENDED REPORT

**EXHIBIT A**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address SCO Permian, LLC 4925 Greenville Ave., Suite 1030 Dallas TX 75206 (214) 390-4076		<sup>2</sup> OGRID Number 330782
<sup>4</sup> Property Code		<sup>3</sup> API Number 30-025-22639
<sup>5</sup> Property Name Teague T6 State		<sup>6</sup> Well No. 3

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	16	23 S	37 E		329	S	990	W	Lea

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	16	23 S	37 E		329	S	990	W	Lea

**9. Pool Information**

Pool Name Teague; Glorieta-Paddock, SW	Pool Code 58595
-------------------------------------------	--------------------

<sup>11</sup> Work Type E	<sup>12</sup> Well Type O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type S	<sup>15</sup> Ground Level Elevation 3316'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 5292'	<sup>18</sup> Formation Glorieta	<sup>19</sup> Contractor TBD	<sup>20</sup> Spud Date April 1, 2025
Depth to Ground water 145' in CP 00423	Distance from nearest fresh water well 0.44 mi west of CP 00423	Distance to nearest surface water 2.5 mi W of Rattlesnake Canyon		

A closed-loop system will be used instead of lined pits.

**21. Proposed Casing and Cement Program**

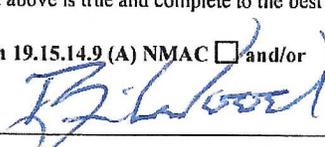
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12.75"	9.625"	36# J-55	GL - 1035'	400	GL
Production	8.75"	5.5#	15.5# L-80	GL - 6160'	530	3900' (CBL)

**Casing/Cement Program: Additional Comments**

GL - TD: fresh-water spud mud Will perf lower Glorieta 4960' - 5215'

**22. Proposed Blowout Prevention Program**

Type	Working Pressure (psi)	Test Pressure (psi)	Manufacturer
annular & double rams	5000	2500	Schaffer

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
 I further certify that I have complied with 19.15.14.9 (A) NMAC  and/or 19.15.14.9 (B) NMAC , if applicable.  
 Signature: 

**OIL CONSERVATION DIVISION**

Approved By:

Title:

Approved Date:

Expiration Date:

Printed name: Brian Wood

Title: Consultant

E-mail Address: brian@permitswest.com

Date: 3-1-25

Phone: 505 466-8120

Conditions of Approval Attached

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	<b>EXHIBIT B</b>	Revised July 9, 2024
			Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input checked="" type="checkbox"/> As Drilled

WELL LOCATION INFORMATION TEAGUE; GLORIETA-UPPER PADDOCK, SW

API Number 30-025-22639	Pool Code 58595	Pool Name
Property Code 332910	Property Name TEAGUE 16 STATE	Well Number 3
OGRID No. 330782	Operator Name SCO PERMIAN, LLC	Ground Level Elevation 3316.3
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	16	23 S	37 E		329 SOUTH	990.5 WEST	32.2981125°N	103.1732644°W	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	16	23 S	37 E		329 SOUTH	990.5 WEST	32.2981125°N	103.1732644°W	LEA

Dedicated Acres 40	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input checked="" type="checkbox"/> Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased 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 a working interest run leased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order here to fore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool of formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

*[Signature]* 3-1-25  
Signature Date

BRIAN WOOD

Printed Name  
brian@permitswest.com

Email Address

SURVEYOR CERTIFICATIONS

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.



*[Signature]*  
Signature and Seal of Professional Surveyor  
FILIMON F. JARAMILLO

Certificate Number Date of Survey  
PLS 12797 FEBRUARY 27, 2025

SURVEY NO. 10397

Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. On the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled. If the well is not horizontal, show the location of the First Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

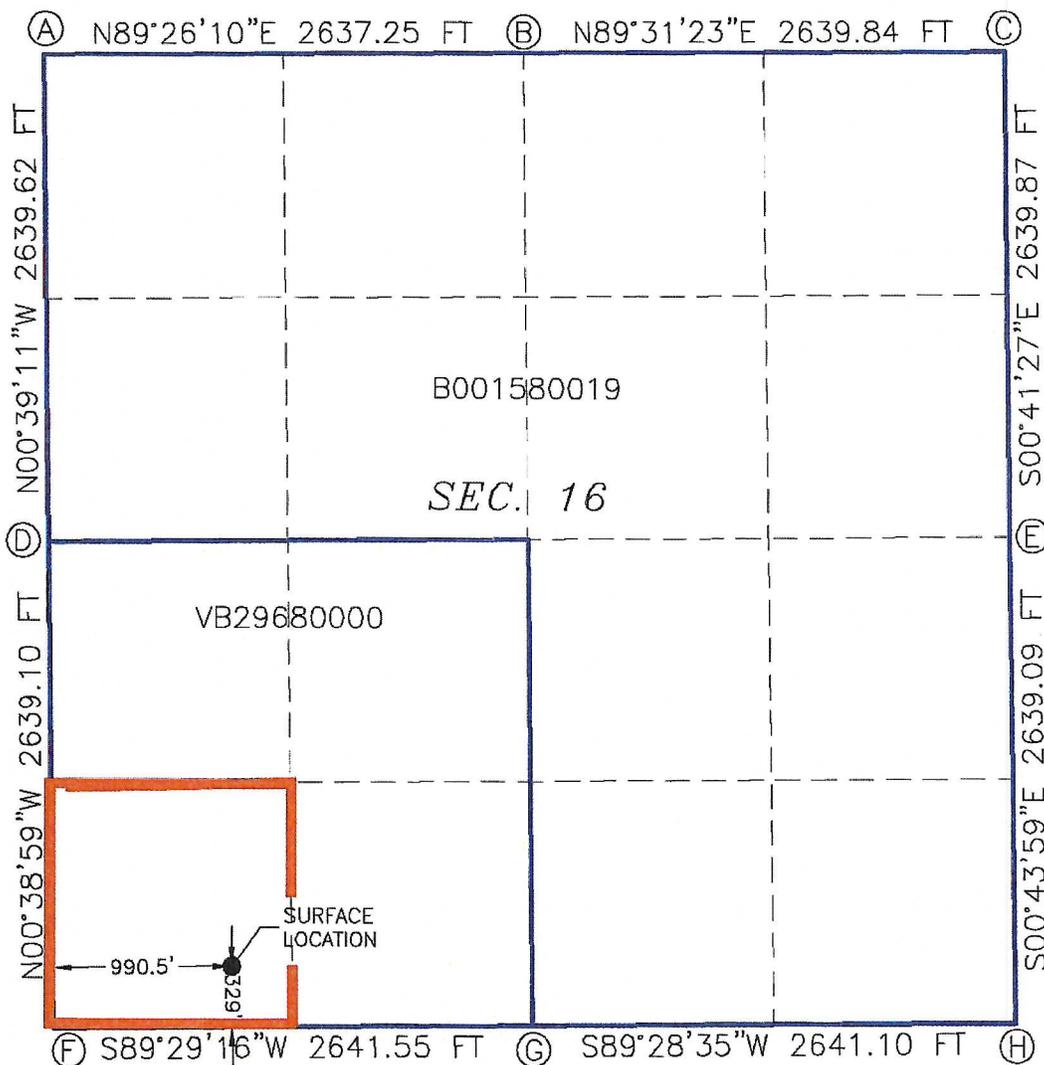
**EXHIBIT B**

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

TEAGUE 16 STATE 3  
 EL. = 3316.3

GEODETIC COORDINATES  
 NAD 83 NMSP EAST  
 SURFACE LOCATION  
 329' FSL, 990.5' FWL  
 N.=474124.98  
 E.=899787.21  
 LAT.=32.2981125°N  
 LONG.=103.1732644°W

BOTTOM OF HOLE  
 329' FSL, 990.5' FWL  
 N.=474124.98  
 E.=899787.21  
 LAT.=32.2981125°N  
 LONG.=103.1732644°W

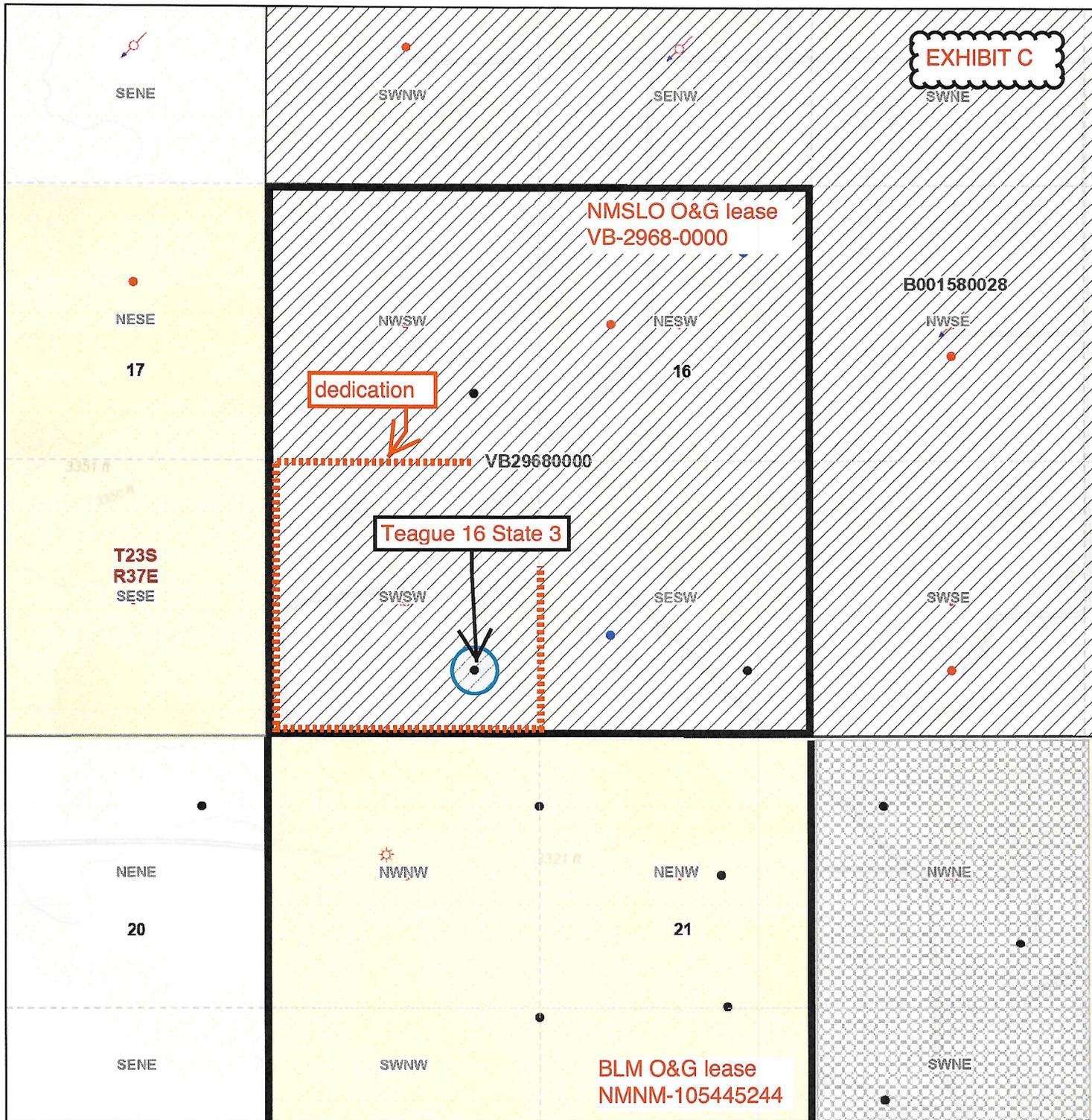


CORNER COORDINATES TABLE  
 NAD 83 NMSP EAST

A	N.=479064.99	E.=898740.51
B	N.=479090.94	E.=901377.37
C	N.=479112.92	E.=904016.86
D	N.=476425.80	E.=898770.59
E	N.=476473.50	E.=904048.68
F	N.=473787.13	E.=898800.52
G	N.=473810.74	E.=901441.71
H	N.=473834.88	E.=904082.44

LEGEND

- SECTION LINE
- QUARTER LINE
- LEASE LINE
- WELL PATH



### Oil, Gas, and Minerals Leases and Wells

0 0.05 0.1 0.2 mi

**New Mexico State Land Office**

Disclaimer:  
The New Mexico State Land Office assumes no responsibility or liability for, or in connection with the accuracy, reliability or use of the information provided herein with respect to State Land Office data or data from other sources.

Data pertaining to New Mexico State Trust Lands are provisional and subject to revision, and do not constitute an official record of title. Official records may be reviewed at the New Mexico State Land Office in Santa Fe, New Mexico.

Map Created: 11/11/2025

	Override 1		NMOCD_Inactive
	Subdivisions		Symbology
	Sections		Miscellaneous
	Townships		CO2 Cancelled
	County Boundaries		CO2, Plugged
	State Boundary		CO2, Temporarily Abandoned
	County Seats		Gas, Cancelled
			Gas, Plugged

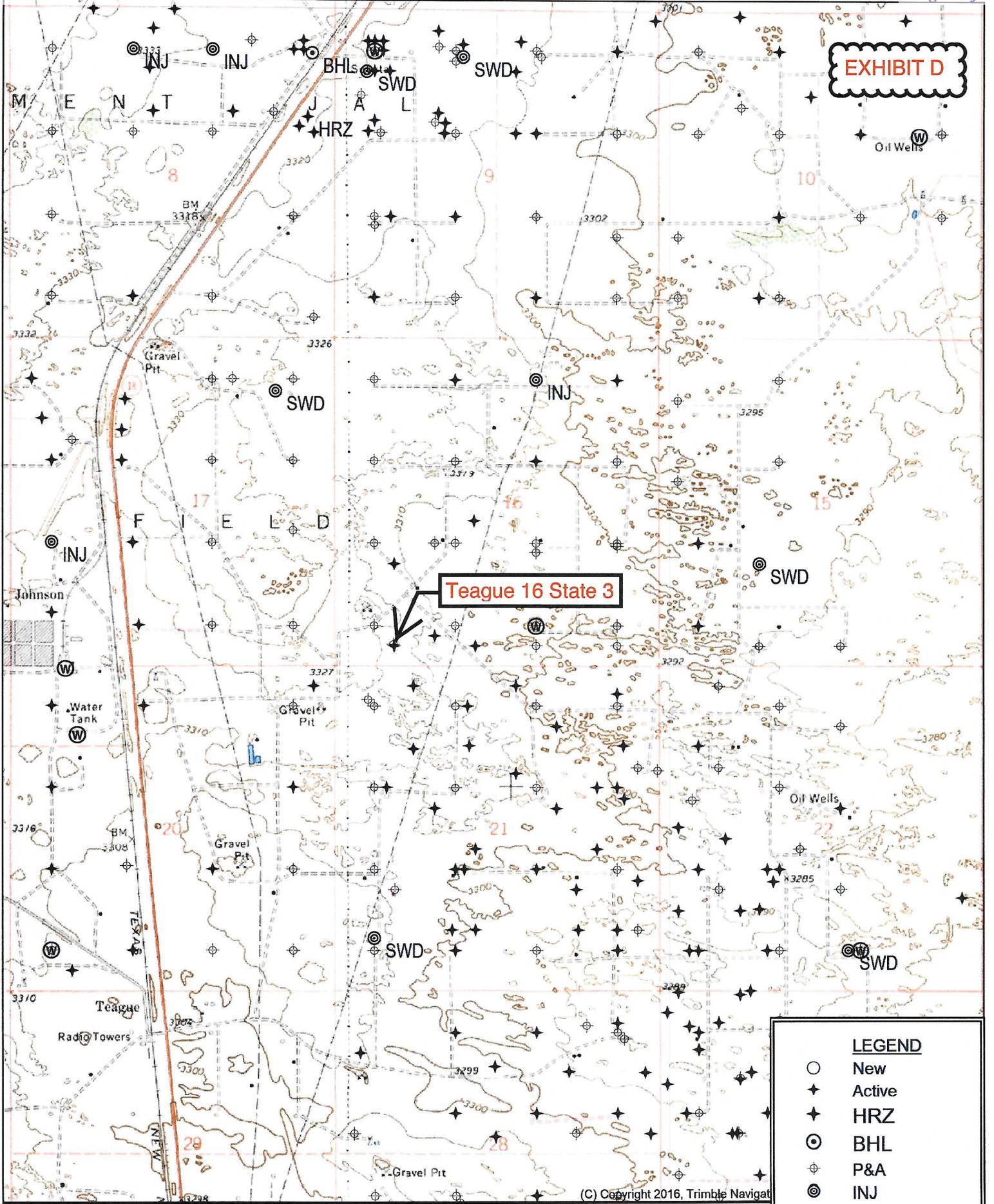


EXHIBIT D

Teague 16 State 3

LEGEND	
○	New
✦	Active
✦	HRZ
⊙	BHL
⊕	P&A
⊙	INJ
⊙	SWD
⊙	Brine
⊙	Water

Quad: RATTLESNAKE CANYON  
Scale: 1 inch = 2,000 ft.

(C) Copyright 2016, Trimble Navigat





**PERMITS WEST**, INC.  
 PROVIDING PERMITS for LAND USERS  
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

EXHIBIT F

November 12, 2025

Joe Kent  
 FAE II Operating  
 11757 Katy Freeway, Suite 725 TYPICAL NOTICE  
 Houston, TX 77079

Dear Mr. Kent:

As required by New Mexico Oil Conservation Division (NMOCD) Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

SCO Permian, LLC is applying for NSL approval for its Teague 16 State 3 (30-025-22639) as a Teague; Glorieta-Paddock, SW (58595) oil well. Minimum NMOCD distance for such an oil well is 330' from the closest perpendicular dedication boundary. The well is one-foot further south and one-foot further east than is standard (see attached application) for the Teague; Glorieta-Paddock, SW pool. Thus, it is a nonstandard location. (The well is currently P&A. SCO Permian, LLC will re-enter it, drill out plugs, and perforate the lower Glorieta from 4960' to 5215'.)

Well Name: Teague 16 State 3 CIBP: 5293' PBTD: 6128' TVD: 6160'

Proposed NSL Zone: lower Glorieta

NSL Acreage Dedication: 40.00 acres (UL: M SWSW 16-23s-37e Lea County, NM)  
 on NMSLO lease VB-2968-0000

Location: 329' FSL & 991' FWL 16-23s-37e (9 air miles south of Eunice, NM)

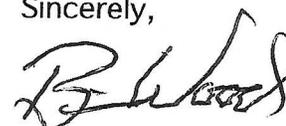
Applicant Name: SCO Permian, LLC

Applicant's Address: 5728 NW 132<sup>nd</sup> St., Oklahoma City, OK 73142

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division due to the one-foot (1') variances. Per NMAC 19.15.15.13 D., if you have an objection, protest, or question, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr., Santa Fe, NM 87505. Their phone number is (505) 476-3441. E-mail address is [OCD.Engineer@emnrd.nm.gov](mailto:OCD.Engineer@emnrd.nm.gov)

Please call me if you have any questions.

Sincerely,



Brian Wood

Received by OCD: 12/15/2025 9:45:50 AM

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only *Teag*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**Carlsbad, NJ 88220**

**OFFICIAL USE**

Certified Mail Fee	\$5.30	0535 01 Postmark Here
Extra Services & Fees (check box, fees appropriate)	\$4.40	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$2.17	
<b>Total Postage and Fees</b>	<b>\$11.87</b>	11/12/2025

Sent To *BLM*

Street and Apt. No., or PO Box No.

City, State, ZIP+4® *Carlsbad*

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

EXHIBIT F

7022 1670 0002 1187 2985

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only *Teag*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**Houston, TX 77079**

**OFFICIAL USE**

Certified Mail Fee	\$5.30	0535 01 Postmark Here
Extra Services & Fees (check box, fees appropriate)	\$4.40	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$2.17	
<b>Total Postage and Fees</b>	<b>\$11.87</b>	11/12/2025

Sent To *FAE*

Street and Apt. No., or PO Box No.

City, State, ZIP+4® *Houston*

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only *Teag*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**Santa Fe, NM 87504**

**OFFICIAL USE**

Certified Mail Fee	\$5.30	0535 01 Postmark Here
Extra Services & Fees (check box, fees appropriate)	\$4.40	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$2.17	
<b>Total Postage and Fees</b>	<b>\$11.87</b>	11/12/2025

Sent To *NM SLO*

Street and Apt. No., or PO Box No.

City, State, ZIP+4® *SF*

PS Form 3800, April 2015 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

Action 534663

**CONDITIONS**

Operator: SCO PERMIAN, LLC 5728 NW 132nd Street Oklahoma City, OK 73142	OGRID: 330782
	Action Number: 534663
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	12/16/2025