

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



Stan Wagner
stan.s.wagner@conocophillips.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 9267

**Marathon Oil Permian, LLC [OGRID 372098]
Valkyrie Federal Com Well No. 502H
API No. 30-015-57023**

Reference is made to your application received on February 2nd, 2026.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2460 FSL & 569 FEL	I	11	23S	28E	Eddy
First Take Point	1990 FSL & 100 FWL	L	12	23S	28E	Eddy
Last Take Point	1990 FSL & 100 FEL	I	07	23S	29E	Eddy
Terminus	1990 FSL & 50 FEL	I	07	23S	29E	Eddy

Proposed Horizontal Spacing Unit

Description	Acres	Pool	Pool Code
S/2 Section 12, T23S, R28E S/2 Section 07, T23S, R29E	634.72	Culebra Bluff; Bone Spring, South	15011

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator dedicate a horizontal well at a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the

Administrative Order NSL – 9267
Marathon Oil Permian, LLC
Page 2 of 2

completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for a well within the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well’s completed interval is as close as 305 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 07, T23S, R29E encroachment to the SW/NW

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location as a precautionary measure to avoid a collision of a nearby well and to allow efficient spacing of wells within the Bone Spring formation underlying the S/2 of Section 12. T23S, R28E and the S/2 Section 07, T23S, R29E.

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 19.15.15.13 (B) 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 the Division deems necessary.



Albert C.S. Chang
Division Director
AC/lrl

Date: 4/3/26

ID NO. 549232

NSL - 9267

RECEIVED: 02/02/26	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: Marathon Oil Permian LLC **OGRID Number:** 372098
Well Name: Valkyrie Federal Com 502H **API:** 30-015-57023
Pool: Culebra Bluff; Bone Spring, South **Pool Code:** 15011

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

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

- 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

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.

Stan Wagner

Print or Type Name

Signature

2/2/2026
Date

432-253-9685
Phone Number

stan.s.wagner@conocophillips.com
e-mail Address

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <ul style="list-style-type: none"> <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-015-57023	Pool Code 15011	Pool Name Culebra Bluff; Bone Spring, South
Property Code 337450	Property Name VALKYRIE FED COM	
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Well Number 502H
Ground Level Elevation 2,993'		
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,460' FSL	569' FEL	32.319624°	-104.051273°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,990' FSL	50' FEL	32.317854°	-104.015664°	EDDY

Dedicated Acres 634.72	Infill or Defining Well Defining	Defining Well API 30-015-57023	Overlapping Spacing Unit (Y/N)	Consolidation Code Com
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" 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
I	11	23S	28E		2,460' FSL	569' FEL	32.319624°	-104.051273°	EDDY


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
L	12	23S	28E		1,990' FSL	100' FWL	32.318330°	-104.049123°	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,990' FSL	100' FEL	32.317859°	-104.015826°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p>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 or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>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 or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>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.</p> <div style="text-align: center;">  <p>Date: 1/15/2026</p> </div>			
Signature <i>Stan Wagner</i>	Date 1/20/26	Signature and Seal of Professional Surveyor		
Printed Name Stan Wagner	Email Address	Certificate Number 12177	Date of Survey 1/15/2026	Revision Number 1

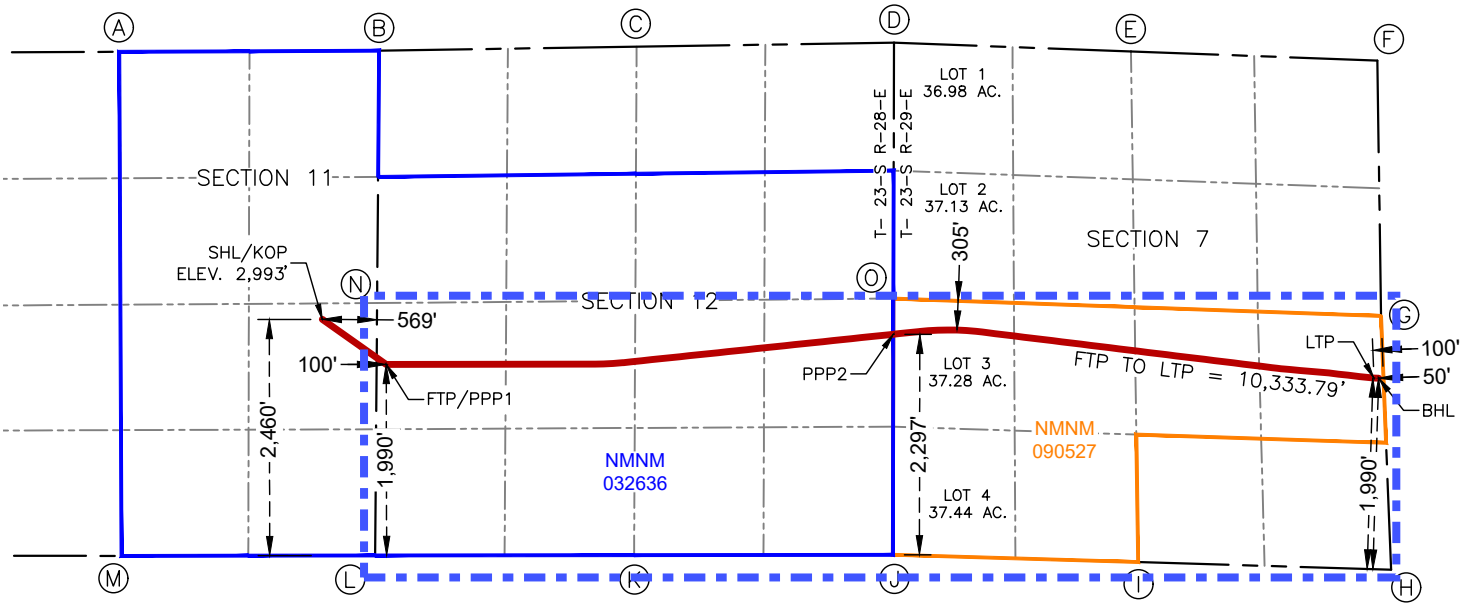
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last 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.

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.

VALKYRIE FED COM 502H



**SURFACE HOLE LOCATION
& KICK-OFF POINT**
2,460' FSL & 569' FEL
ELEV.=2,993'

NAD 83 X = 628,468.40'
NAD 83 Y = 480,126.16'
NAD 83 LAT = 32.319624°
NAD 83 LONG = -104.051273°

**FIRST TAKE POINT &
PENETRATION POINT 1**
1,990' FSL & 100' FWL

NAD 83 X = 629,133.73'
NAD 83 Y = 479,657.26'
NAD 83 LAT = 32.318330°
NAD 83 LONG = -104.049123°

PENETRATION POINT 2
2,297' FSL & 0' FWL

NAD 83 X = 634,414.65'
NAD 83 Y = 479,971.14'
NAD 83 LAT = 32.319153°
NAD 83 LONG = -104.032025°

LAST TAKE POINT
1,990' FSL & 100' FEL

NAD 83 X = 639,420.20'
NAD 83 Y = 479,514.67'
NAD 83 LAT = 32.317859°
NAD 83 LONG = -104.015826°

BOTTOM HOLE LOCATION
1,990' FSL & 50' FEL

NAD 83 X = 639,470.30'
NAD 83 Y = 479,512.89'
NAD 83 LAT = 32.317854°
NAD 83 LONG = -104.015664°

**CORNER COORDINATES
NEW MEXICO EAST - NAD 83**

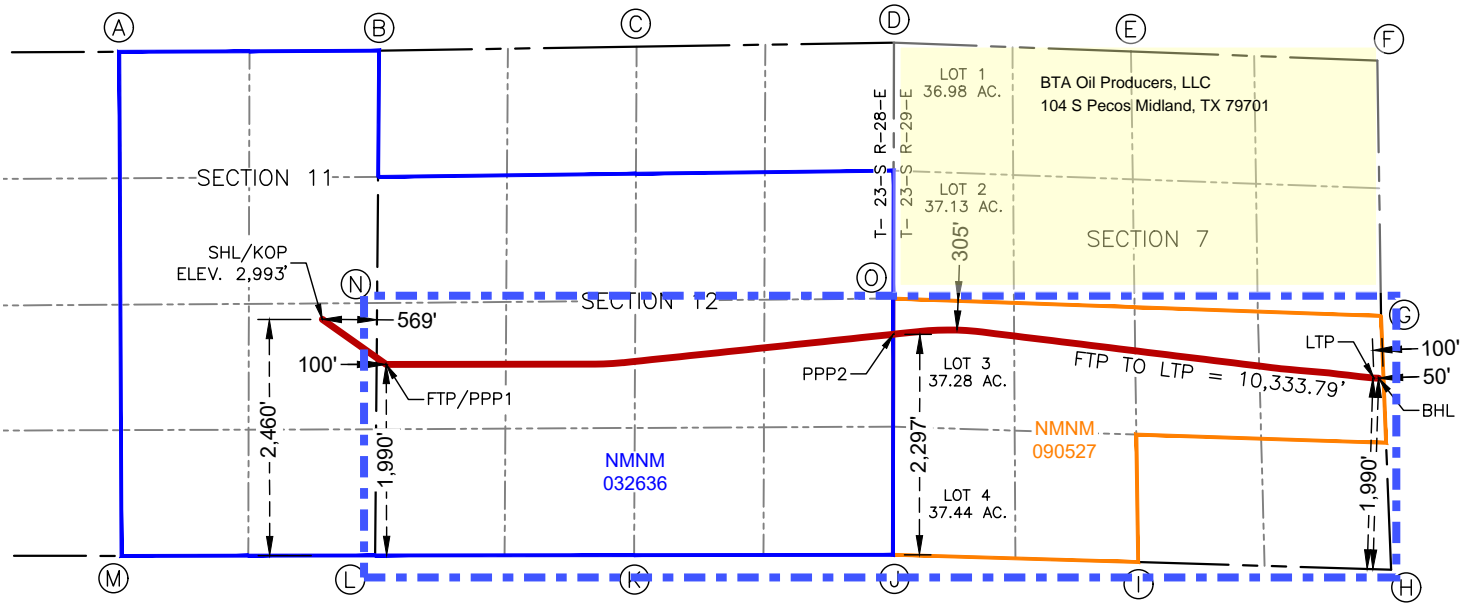
A	N:482,913.27' E:626,359.83'
B	N:482,925.02' E:629,059.50'
C	N:482,966.63' E:631,741.28'
D	N:483,007.92' E:634,422.58'
E	N:482,916.72' E:636,890.24'
F	N:482,821.70' E:639,456.31'
G	N:480,162.43' E:639,494.75'
H	N:477,518.50' E:639,598.93'
I	N:477,598.98' E:636,964.45'
J	N:477,674.42' E:634,409.91'
K	N:477,670.11' E:631,715.39'
L	N:477,667.13' E:629,018.02'
M	N:477,662.44' E:626,376.12'
N	N:480,296.05' E:629,041.43'
O	N:480,343.16' E:634,418.08'

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Stan Wagner
Regulatory Advisor
600 West Illinois Avenue
Midland, TX 79701
phone 432.253.9685
stan.s.wagner@conocophillips.com



February 2, 2026

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Application for Administrative Approval of Non-Standard Location
Valkyrie Federal Com 502H

Dear Mr. Lowe:

Marathon Oil Permian LLC, a subsidiary of ConocoPhillips Company, requests administrative approval of a non-standard location for the Valkyrie Federal Com 502H, API number 30-015-57023. The 502H well is proposed to be completed in the Culebra Bluff; Bone Spring, South pool, Pool Code 15011. This pool has rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit.

The well path is being deviated for anti-collision of a nearby well. The well may or may not end up as NSL. This application is precautionary in the event it is NSL.

Approval of the non-standard completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

The proposed completed interval is projected as follows:

Surface Location -	2460' FSL & 569' FEL UL I Sec. 11-23S-28E, Eddy County, NM
First Take Point -	1990' FSL & 100' FWL UL L Sec. 12-23S-28E
Closest Take Point-	305' FNL Anticollision deviation of lateral
Last Point -	1990' FSL & 100' FEL UL I Sec. 7-23S-29E
Bottom Hole -	1990' FSL & 50' FEL UL I Sec. 7-23S-29E
Proposed Pool-	Culebra Bluff; Bone Spring, South (Pool Code 15011)

The well path is projected to be less than 330' from the outer boundary of the NWSW of Section 7.

This will be a horizontal oil completion.

The Horizontal Spacing Unit will be 634.72 acres, S/2 of Sec 7-23S-28E, S/2 of Sec 12-23S-28E, as shown on the enclosed C-102.

The HSU defining well for the N/2 S/2 spacing unit is 502H, 30-015-57023.

The HSU defining well for the S/2 S/2 spacing unit is 501H, 30-015-57022.

An NSP is being applied for concurrently in the pooling application.

Spacing sundries have been approved by BLM and were submitted to OCD on 1-28-26.

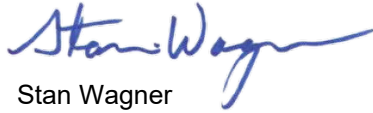
Sundry IDs are:

501H 547602
502H 547616
551H 547618
552H 547622

Sundries for a name change from Valkyrie BS Federal Com to Valkyrie Federal Com are filed and pending with BLM. These will be filed with OCD as soon as possible.

If additional information is needed, please contact me at 432-253-9685 or email at swagner@conocophillips.com.

Sincerely,

A handwritten signature in blue ink that reads "Stan Wagner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stan Wagner
Regulatory Advisor

On February 2, 2026, a copy of the Marathon Oil Permian LLC, **Valkyrie Federal Com 502H**, Administrative Application for a Non-Standard Location (**NSL**) was mailed to the following affected parties:

BTA Oil Producers
104 S. Pecos
Midland, TX 79701

USPS receipt no. 9589-0710-5270-0581-8679-21

A handwritten signature in blue ink that reads "Stan Wagner". The signature is written in a cursive style and is positioned above a solid horizontal line.

Stan Wagner
ConocoPhillips Company

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 549232

CONDITIONS

Operator: MARATHON OIL PERMIAN LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 372098
	Action Number: 549232
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/12/2026