

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



**ADMINISTRATIVE NON-STANDARD LOCATION**

Sara Guthrie  
[sara\\_guthrie@oxy.com](mailto:sara_guthrie@oxy.com)

**Administrative Order NSL - 9272**

**OXY USA INC. [OGRID 16696]  
Tails CC 10 3 Federal Com Well No. 54H  
API No. 30-015-57100**

Reference is made to your application received on February 4<sup>th</sup>, 2026.

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1013 FSL & 1836 FEL	O	10	24S	29E	Eddy
First Take Point	100 FSL & 380 FEL	P	10	24S	29E	Eddy
Last Take Point	100 FNL & 380 FEL	A/1	03	24S	29E	Eddy
Terminus	20 FNL & 380 FEL	A/1	03	24S	29E	Eddy

**Proposed Horizontal Gas Units**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Section 10 Section 03	1278.62	Purple Sage; Wolfcamp, Gas	98220

You have requested to complete this horizontal well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of

Administrative Order NSL - 9272

OXY USA INC.

Page 2 of 2

horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre 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 First and Last Take Points referenced above within the described Horizontal Spacing Unit.

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

- Section 15, encroachment to the NE/4
- Section 34, T23S, R29E encroachment to the SE/4

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 allow for efficient well spacing and thereby preventing waste within the Wolfcamp formation underlying all of Section 10 and all of Section 03, thus protecting the correlative rights of all parties affected.

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: 4/3/26

Albert C.S. Chang  
Division Director  
AC/lrl

ID NO. 550063

NSL - 9272

RECEIVED: <b>02/04/26</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:** OXY USA INC. **OGRID Number:** 16696  
**Well Name:** TAILS CC 10\_3 FEDERAL COM #54H **API:** 30-015-57100  
**Pool:** PURPLE SAGE; WOLFCAMP (GAS) **Pool Code:** 98220

**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.

SARA GUTHRIE

Print or Type Name

Sara Guthrie

Signature

2/3/2026  
Date

713-497-2851  
Phone Number

sara\_guthrie@oxy.com  
e-mail Address



# OXY USA Inc

5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

February 3, 2026

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

Attention: Leonard Lowe

Re: ***Application for Administrative Approval of Non-Standard Location  
Tails CC 10-3 Federal Com 54H – Purple Sage; Wolfcamp  
Surface – 1013’ FSL 1836’ FEL Unit O Sec 10 T24S R29E  
First Take Point – 100’ FSL 380’ FEL Unit P, Sec 10 T24S R29E  
Last Take Point – 100’ FNL 380’ FEL Unit A, Lot 1, Sec 3 T24S R29E  
Bottom Hole – 20’ FNL 380’ FEL Unit A, Lot 1, Sec 3 T24S R29E  
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Tails CC 10-3 Federal Com 54H well, API Number-30-015-57100, Property Code 329988. The #54H well will be an infill well for the existing 1280-acre HSU and is proposed to be completed in the Purple Sage; Wolfcamp pool, Pool Code 98220 which has special pool rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit. The proposed completed interval is projected as follows:

Surface – 1013’ FSL 1836’ FEL Unit O Sec 10 T24S R29E  
First Take Point – 100’ FSL 380’ FEL Unit P, Sec 10 T24S R29E  
Last Take Point – 100’ FNL 380’ FEL Unit A, Lot 1, Sec 3 T24S R29E  
Bottom Hole – 20’ FNL 380’ FEL Unit A, Lot 1, Sec 3 T24S R29E

The Horizontal Spacing Unit is all of Section 10 and Section 3 located in T24S R29E. The adjoining units towards which the unorthodox location encroaches are located in T23S R29E, Section 34 – Units I, J, O, P and Section 34 – Units K, L, M, N. Also, T24S R29E, Section 15 – Units A, B, G, H and Section 15- Units C, D, E, F.

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

To support this request, the following information has been submitted for your review:

1. C-102 Plat for the proposed well and additional plats with offsetting well and affected spacing units.
2. List of affected offset parties in each adjoining spacing unit in the same pool or formation located closer to the unorthodox well location than the minimum distance prescribed by applicable rule or order, copies of the signed certified return receipts will be furnished upon request.
3. Statement from Oxy Reservoir Engineer.

If you need any additional information, please call me at 713-497-2851.

Sincerely,

Sara Guthrie  
Regulatory Advisor

Attachments  
CC: Service List



# OXY USA Inc

5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

February 3, 2026

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location  
Tails CC 10-3 Federal Com 54H – Purple Sage; Wolfcamp  
Surface – 1013' FSL 1836' FEL Unit O Sec 10 T24S R29E  
First Take Point – 100' FSL 380' FEL Unit P, Sec 10 T24S R29E  
Last Take Point – 100' FNL 380' FEL Unit A, Lot 1, Sec 3 T24S R29E  
Bottom Hole – 20' FNL 380' FEL Unit A, Lot 1, Sec 3 T24S R29E  
Eddy County, New Mexico***

To Whom it May Concern:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard location. As an affected party, notice is being provided to you pursuant to Rule 19.15.4.12(A)(2)(a), 19.15.15.9(A) and 19.15.16.15(B). The well is located as follows:

Surface – 1013' FSL 1836' FEL Unit O Sec 10 T24S R29E  
First Take Point – 100' FSL 380' FEL Unit P, Sec 10 T24S R29E  
Last Take Point – 100' FNL 380' FEL Unit A, Lot 1, Sec 3 T24S R29E  
Bottom Hole – 20' FNL 380' FEL Unit A, Lot 1, Sec 3 T24S R29E

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact Peter Van Liew at 713-985-6972 or myself at 713-497-2851.

Thank you,

A handwritten signature in blue ink that reads "Sara Guthrie".

Sara Guthrie  
Regulatory Advisor  
OXY USA Inc.

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

**WELL LOCATION INFORMATION**

API Number <b>30-015-57100</b>	Pool Code <b>98220</b>	Pool Name <b>PURPLE SAGE; WOLFCAMP (GAS)</b>
Property Code <b>329988</b>	Property Name <b>TAILS CC 10_3 FED COM</b>	Well Number <b>54H</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Ground Level Elevation <b>2950'</b>
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 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 (NAD83)	Longitude (NAD83)	County
O	10	24S	29E		1013' FSL	1836' FEL	32.22763088	-103.96970101	EDDY

**Bottom Hole Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
A	03	24S	29E	1	20' FNL	380' FEL	32.25393727	-103.96511685	EDDY

Dedicated Acres <b>1,278.62</b>	Infill or Defining Well <b>INFILL</b>	Defining Well API <b>34H-30-015-48959</b>	Overlapping Spacing Unit (Y/N) <b>N</b>	Consolidation Code <b>C</b>
Order Numbers: <b>R-22614</b>			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 (NAD83)	Longitude (NAD83)	County
P	10	24S	29E		50' FSL	380' FEL	32.22496340	-103.96498654	EDDY


**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
P	10	24S	29E		100' FSL	380' FEL	32.22510085	-103.96498680	EDDY

**Last Take Point (LTP)**

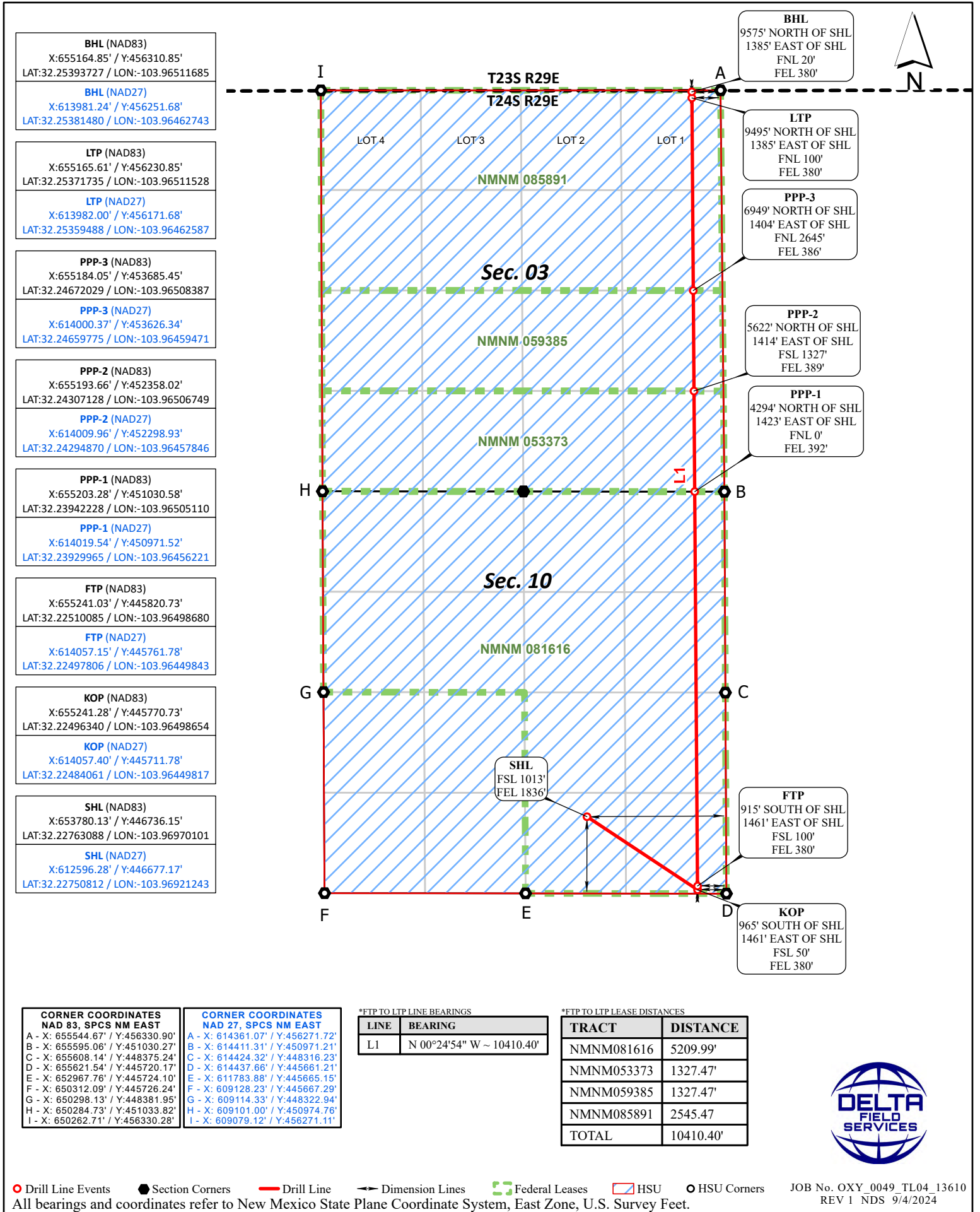
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
A	03	24S	29E	1	100' FNL	380' FEL	32.25371735	-103.96511528	EDDY

Unitized Area or Area of Uniform Interest <b>N/A</b>	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation <b>2950'</b>
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><u><i>Sara Guthrie</i></u>                      <u>2/3/2026</u> Signature                                      Date</p> <p><u>Sara Guthrie</u> Printed Name</p> <p><u>sara_guthrie@oxy.com</u> Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>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.</i></p> <div style="text-align: center;">  </div> <p><u>Lloyd P. Short</u> Signature and Seal of Professional Surveyor</p> <table style="width:100%;"> <tr> <td style="width:50%;">Certificate Number <b>21653</b></td> <td style="width:50%;">Date of Survey <b>SEPTEMBER 4, 2024</b></td> </tr> </table>	Certificate Number <b>21653</b>	Date of Survey <b>SEPTEMBER 4, 2024</b>
Certificate Number <b>21653</b>	Date of Survey <b>SEPTEMBER 4, 2024</b>		

ACREAGE DEDICATION PLATS

TAILS CC 10\_3 FED COM 54H



**BHL (NAD83)**  
 X:655164.85' / Y:456310.85'  
 LAT:32.25393727 / LON:-103.96511685

**BHL (NAD27)**  
 X:613981.24' / Y:456251.68'  
 LAT:32.25381480 / LON:-103.96462743

**LTP (NAD83)**  
 X:655165.61' / Y:456230.85'  
 LAT:32.25371735 / LON:-103.96511528

**LTP (NAD27)**  
 X:613982.00' / Y:456171.68'  
 LAT:32.25359488 / LON:-103.96462587

**PPP-3 (NAD83)**  
 X:655184.05' / Y:453685.45'  
 LAT:32.24672029 / LON:-103.96508387

**PPP-3 (NAD27)**  
 X:614000.37' / Y:453626.34'  
 LAT:32.24659775 / LON:-103.96459471

**PPP-2 (NAD83)**  
 X:655193.66' / Y:452358.02'  
 LAT:32.24307128 / LON:-103.96506749

**PPP-2 (NAD27)**  
 X:614009.96' / Y:452298.93'  
 LAT:32.24294870 / LON:-103.96457846

**PPP-1 (NAD83)**  
 X:655203.28' / Y:451030.58'  
 LAT:32.23942228 / LON:-103.96505110

**PPP-1 (NAD27)**  
 X:614019.54' / Y:450971.52'  
 LAT:32.23929965 / LON:-103.96456221

**FTP (NAD83)**  
 X:655241.03' / Y:445820.73'  
 LAT:32.22510085 / LON:-103.96498680

**FTP (NAD27)**  
 X:614057.15' / Y:445761.78'  
 LAT:32.22497806 / LON:-103.96449843

**KOP (NAD83)**  
 X:655241.28' / Y:445770.73'  
 LAT:32.22496340 / LON:-103.96498654

**KOP (NAD27)**  
 X:614057.40' / Y:445711.78'  
 LAT:32.22484061 / LON:-103.96449817

**SHL (NAD83)**  
 X:653780.13' / Y:446736.15'  
 LAT:32.22763088 / LON:-103.96970101

**SHL (NAD27)**  
 X:612596.28' / Y:446677.17'  
 LAT:32.22750812 / LON:-103.96921243

**BHL**  
 9575' NORTH OF SHL  
 1385' EAST OF SHL  
 FNL 20'  
 FEL 380'

**LTP**  
 9495' NORTH OF SHL  
 1385' EAST OF SHL  
 FNL 100'  
 FEL 380'

**PPP-3**  
 6949' NORTH OF SHL  
 1404' EAST OF SHL  
 FNL 2645'  
 FEL 386'

**PPP-2**  
 5622' NORTH OF SHL  
 1414' EAST OF SHL  
 FSL 1327'  
 FEL 389'

**PPP-1**  
 4294' NORTH OF SHL  
 1423' EAST OF SHL  
 FNL 0'  
 FEL 392'

**FTP**  
 915' SOUTH OF SHL  
 1461' EAST OF SHL  
 FSL 100'  
 FEL 380'

**KOP**  
 965' SOUTH OF SHL  
 1461' EAST OF SHL  
 FSL 50'  
 FEL 380'

**SHL**  
 FSL 1013'  
 FEL 1836'

**CORNER COORDINATES NAD 83, SPCS NM EAST**

A - X: 655544.67' / Y:456330.90'
B - X: 655595.06' / Y:451030.27'
C - X: 655608.14' / Y:448375.24'
D - X: 655621.54' / Y:445720.17'
E - X: 652967.76' / Y:445724.10'
F - X: 650312.09' / Y:445726.24'
G - X: 650298.13' / Y:448381.95'
H - X: 650284.73' / Y:451033.82'
I - X: 650262.71' / Y:456330.28'

**CORNER COORDINATES NAD 27, SPCS NM EAST**

A - X: 614361.07' / Y:456271.72'
B - X: 614411.31' / Y:450971.21'
C - X: 614424.32' / Y:448316.23'
D - X: 614437.66' / Y:445661.21'
E - X: 611783.88' / Y:445665.15'
F - X: 609128.23' / Y:445667.29'
G - X: 609114.33' / Y:448322.94'
H - X: 609101.00' / Y:450974.76'
I - X: 609079.12' / Y:456271.11'

**\*FTP TO LTP LINE BEARINGS**

LINE	BEARING
L1	N 00°24'54" W ~ 10410.40'

**\*FTP TO LTP LEASE DISTANCES**

TRACT	DISTANCE
NMNM081616	5209.99'
NMNM053373	1327.47'
NMNM059385	1327.47'
NMNM085891	2545.47'
TOTAL	10410.40'



○ Drill Line Events   ● Section Corners   — Drill Line   ← Dimension Lines   □ Federal Leases   □ HSU   ● HSU Corners   JOB No. OXY\_0049\_TL04\_13610  
 All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.   REV 1 NDS 9/4/2024

Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99978311 and a Convergence Angle: 0.19707568°

OXY USA Inc.

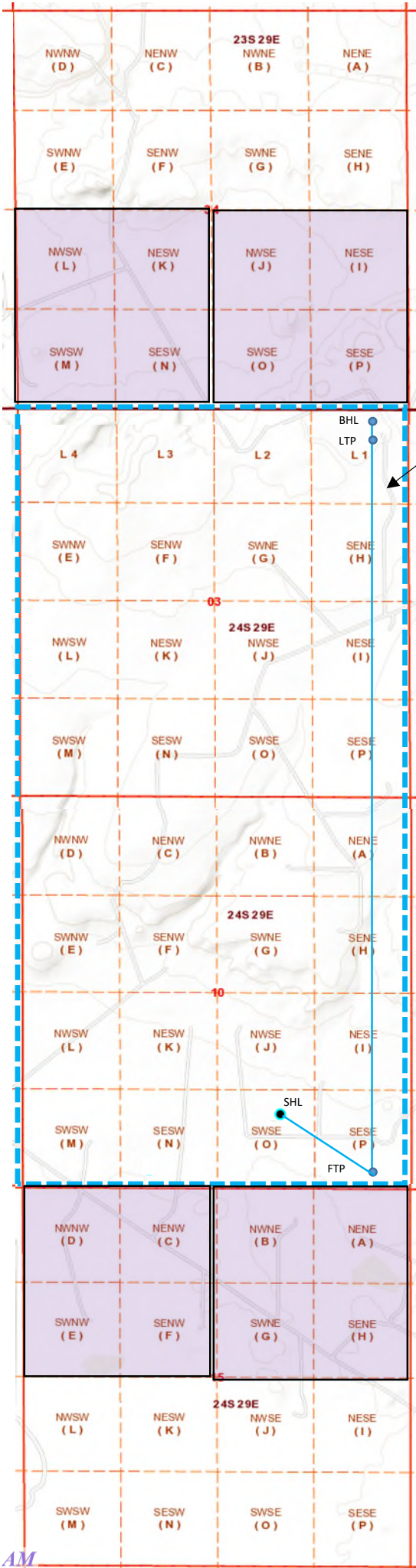
Tails CC 10-3 Federal Com 54H

Section 10 Township 24 South,

Range 29 East, N.M.P.M.

Eddy County, New Mexico

--- HSU Boundary  
— Wellbore  
 Offset Encroaching Tracts



Tails CC 10-3 Federal Com 54H

**Application Non-Standard Location - Service List**

**OXY USA Inc.**

**Tails CC 10-3 Federal Com #54H**

**Online Submission**

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

**Certified Mail #9407 1118 9876 5438 3978 26**

Bureau of Land Management Carlsbad  
620 E. Greene Street  
Carlsbad, NM 88220-6292

**T23S-R29E**

**No Existing Spacing Unit: Section 34**

OXY USA Inc.  
P.O. Box 50250  
Midland, TX 79710

**T24S-R29E**

**No Existing Spacing Unit: Section 15**

OXY USA Inc.  
P.O. Box 50250  
Midland, TX 79710

Copies of this application were mailed to the following individuals, companies and organizations on or before February 4, 2026



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Sara Guthrie, Regulatory Advisor  
OXY USA Inc.



**Occidental Oil and Gas Corporation**  
**ATTN: John Prudhomme**  
**5 Greenway Plaza, Suite 110**  
**Houston, TX 77046**  
**713-366-5471**  
**John\_Prudhomme@oxy.com**

February 3, 2026

Mr. Leonard Lowe  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: ***Application for Nonstandard Location—Engineering Justification***  
***OXY USA Inc.***  
***Tails CC 10-3 Federal Com 41H-44H & 51H-54H***  
***T24S R29E, Section 10 – ALL, Eddy County***  
***T24S R29E Section 3 – ALL, Eddy County***

Dear Mr. Lowe,

Oxy USA Inc. respectfully seeks approval for a non-standard location, decreasing the first and last take point for Tails CC 10-3 Federal Com 41H, 42H, 43H, 44H, 51H, 52H, 53H and 54H in the Wolfcamp formation of the Purple Sage Pool from 330 feet to 100 feet. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground. Decreasing the first and last take point will increase each well's effective lateral length by 460 feet and increase the estimated ultimate recovery of the well by approximately 5%. Any increase in first or last take point would result in untapped reserves left in the reservoir, and waste of a resource that would otherwise go undeveloped.

Sincerely,

A handwritten signature in black ink, appearing to read "JWP", is written over a light blue horizontal line.

John Prudhomme  
Development Engineer



January 29, 2026

**Re: Tails CC 10-3 Federal Com 41H, 42H, 43H, 44H, 51H, 52H, 53H, 54H - NSL**

**ALL, Section 34, T23S R29E, Eddy County**  
**ALL, Section 15, T24S, R29E, Eddy County**

To Whom It May Concern:

OXY USA INC. is the sole Working Interest Owners of the above described lands as to depths below the Bone Spring Formation. If you have any questions, please contact me at the number listed below.

Best Regards,

**OXY USA INC.**

Jonathan I. Gonzales  
Land Negotiator  
713-366-5576

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 550063

**CONDITIONS**

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 550063
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	2/13/2026