NSL

Initial

Application

Received: 09/29/20

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	ABOVE	THIS TABLE FOR OCD DIVISION USE O	NLY

NEW MEXICO OIL CONSERVATION DIVISION



- Geological & Engineering Bureau – 1220 South St. Francis Drive, Santa Fe, NM 87	7505
ADMINISTRATIVE APPLICATION CHECKL	TZI
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEP REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN	PTIONS TO DIVISION RULES AND
	OGRID Number: 14744
THE THE THE PARTY OF THE PARTY	API: 30-015-PENDING
Pool: Purple Sage Wolfcamp (Gas)	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROC INDICATED BELOW	CESS THE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication INST NSP (PROJECT AREA) NSP (PRORATION UNIT)	□sd
B. Check one only for [1] or [11] [1] Commingling — Storage — Measurement DHC CTB PLC PC OLS OLM [11] Injection — Disposal — Pressure Increase — Enhanced Oil Re WFX PMX SWD IPI EOR PPR	ecovery
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	FOR OCD ONLY Notice Complete Application Content Complete
 E. Notification and/or concurrent approval by BLM F. Surface owner G. For all of the above, proof of notification or publication is an approval by BLM H. No notice required 	
3) CERTIFICATION: I hereby certify that the information submitted with administrative approval is accurate and complete to the best of munderstand that no action will be taken on this application until the notifications are submitted to the Division.	ny knowledge. I also
Note: Statement must be completed by an individual with managerial and	or supervisory capacity.
9/25/19	

Date Cy Shook Print or Type Name 432-682-3715 Phone Number cshook@mewbourne.com Signature e-mail Address

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715 Fax (432) 685-4170

September 17, 2019

Via Certified Mail

New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87505

Attn: Mr. Leonard Lowe Division Director

Re: Application for Unorthodox Well Location

Armstrong 26/23 W0FF Fed Com #2H

API No. Pending

Surface Location: 2500' FNL & 1950' FWL (Unit F) (Sec. 26) Proposed First Perf: 2310' FNL and 1350' FWL (Unit F) (Sec. 26) Bottomhole Location: 1420' FNL & 1350' FWL (Unit F) (Sec. 23) Proposed Last Perf: 1420' FNL & 1350' FWL (Unit F) (Sec. 23)

Sections 23 & 26, T-25-S, R-31-E, NMPM

Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of an unorthodox gas well location for its proposed Armstrong 26/23 W1EE Fed Com #1H. This well will be drilled as a horizontal gas well in the Purple Sage Wolfcamp (Gas) Pool (98220).

The Armstrong 26/23 W0FF Fed Com #2H will be dedicated to a standard 400-acre gas spacing and proration unit comprising the NW/4 of Section 26 and the SW/4 and S/2NW/4 of Section 23. There are currently no other existing Wolfcamp Gas wells producing from within the proposed spacing unit.

The Purple Sage Wolfcamp (Gas) Pool is currently governed by Special Pool Rules, Hearing Order No. R-14262 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 330 feet to the outer boundary of the producing area.

The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the NW/4 of Section 26 and the SW/4 and S/2NW/4 of Section 23.

The affected offset acreage comprises the Sections 23, T25S-R31E NMPM (See Attached Map). There is currently no Wolfcamp production within the offset acreage. Consequently, notice of this application is being provided to Devon Energy Production Company, LP and XTO Energy, Inc.

Attached is a Form C-102 showing the surface, first take point, and bottomhole locations for the Armstrong 26/23 W0FF Fed Com #2H. Also, attached is a map showing the affected offset acreage, a horizontal well plan, notice list and offset notice letter.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Purple Sage Wolfcamp (Gas) Pool underlying Sections 23 and 26 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at <u>cshook@mewbourne.com</u> or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Cy Shook Landman

Xc: OCD-Hobbs

Received by OCD: 9/29/2020 1:19:27 PM

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (375) 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 & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

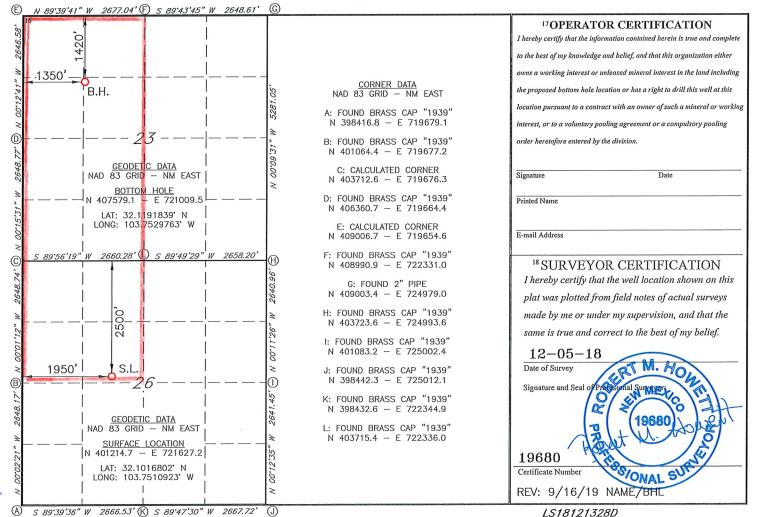
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

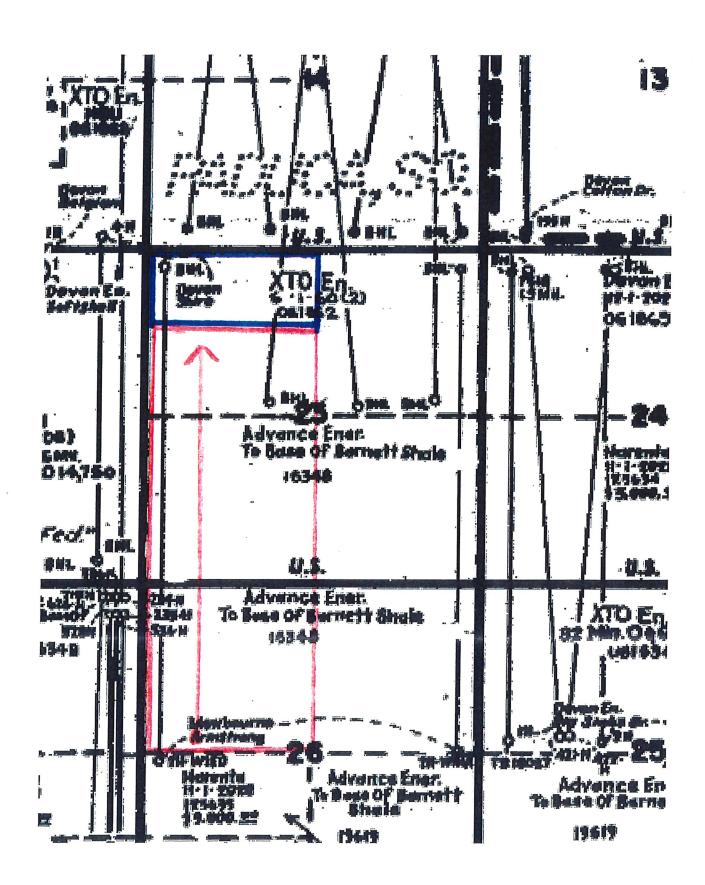
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLA	
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	API Numbe	r	9	² Pool Code 8220	e	Purple Soge	Wolfcom		as	3	
⁴ Property Co	ode	3 Property Name 6 Well Num					6 Well Number				
		ARMSTRONG 26/23 WOFF FED COM 2H						ZH			
7OGRID	NO.	8 Operator Name 9 Elevation									
14744		MEWBOURNE OIL COMPANY 3332'					3332'				
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	West line County		
F	26	25S	31E		2500	NORTH	1950	WE	WEST EDDY		
11 Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	West line County		
F	23	25S	31E		1420	NORTH	1350	WE	ST	EDDY	
12 Dedicated Acres	s 13 Joint	or Infill 14 (Consolidation	Code 15	Order No.						
400											

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





Cy Shook

From:

webmaster@simplecertifiedmail.com

Sent:

Tuesday, September 24, 2019 4:31 PM

To:

Vickie Ausley

Subject:

[EXT] Document Delivered

A document with a tracking code of 9414810699945044037498 and reference number of NSL Notice Armstrong WOFF was successfully delivered to Permian Land Manager at XTO Energy, Inc..

Cy Shook

From:

webmaster@simplecertifiedmail.com

Sent:

Tuesday, September 24, 2019 10:24 AM

To:

Cy Shook

Subject:

[EXT] Document Delivered

A document with a tracking code of 9414810699945044039263 and reference number of NSL Notice Aremstrong WOFF was successfully delivered to Permian Land Manager at Devon Energy Production Company, L.P..