State of New Mexico Energy, Minerals and Natural Resources Department

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NON-STANDARD LOCATION

Administrative Order NSL-8302

Titus Oil & Gas Production, LLC [OGRID 373986] Cattlemen Federal Com Well No. 403H API No. 30-025-48125

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2077 FNL & 1912 FEL	G	17	26S	35E	Lea
First Take Point	2631 FSL & 1651 FEL	J	17	26S	35E	Lea
Last Take Point	100 FSL & 1650 FEL	O	20	26S	35E	Lea
Terminus	10 FSL & 1650 FEL	O	20	26S	35E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 SE/4 of Section 17	240	Jabalina; Wolfcamp, Southwest	96776
W/2 E/2 of Section 20		-	

Reference is made to your application received on January 11th, 2022.

You have requested to drill this horizontal well at an unorthodox oil 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 shall dedicate to each horizontal oil well 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.

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.

This well's completed interval is as close as 9 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

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Division understands you are seeking this unorthodox location as its preferred well spacing plan for horizontal wells in the area and thereby preventing waste within the Wolfcamp formation underlying W/2 SE/4 of section 17 and the W/2 E/2 of section 20.

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.

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.



AES/lrl