

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Friday, July 1, 2022 5:50 PM
To: Josh Anderson
Cc: Wrinkle, Justin, EMNRD
Subject: NSP - CHILE VERDE 23 24 FEDERAL COM WELLS - HORIZONTAL SPACING UNIT

Importance: High

Mr. Josh Anderson,

I am trying to receive your NSP application for the 4 CHILE VERDE wells.

1. The NSP application submitted consist of 4 wells stating the following: 2 of the wells are seeking the N/2 of Section 23 & Section 24. They are identified as 640 acres HSU wells. 2 of the wells are seeking the S/2 of Section 23 & Section 24. They are identified as 640 acres HSU wells. Is Mewbourne intending to create a larger spacing unit to encompass both entire sections as one larger Horizontal Spacing Unit? To create a 1280 Horizontal Spacing Unit? Or is Mewbourne requesting 2 wells in the N/2 of both sections and 2 wells in the S/2 of both sections (640 acres for 2 wells)? An NSP application is per Horizontal Spacing Unit. Mewbourne will need to submit another NSP for either the N/2 or S/2 HSU wells. If Mewbourne is seeking 640 acre HSU. This needs to be clarified.
2. If you creating a larger, than allowed by pool rules, spacing unit. You need to provide notice to all affected tracts around the larger spacing unit. According to your application as written Mewbourne did not do that. I'm not clear on your NSP HSU of these wells. So, I don't know where I can inform you to provide notice.
3. Your letters state your C-102s show the First Take Point on the C-102. I do not see the FTP on any of the C-102s. The take points are not a concern for an NSP application, unless your wells are placed in an Unorthodox Location.

I will need to delete your NSP application at this time. Please contact me on Tuesday July 5th.

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
5200 Oakland Ave. NE
Albuquerque, N.M. 87113
C: 505-930-6717
<http://www.emnrd.state.nm.us/oecd/>