

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mr. Brad Dunn
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Administrative Order NSP - 2147

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Mewbourne Oil Company [OGRID 14744]

Seabass 10 11 B2DA Federal Com Well No. 1H, (API NO. 30-015-50122)

Seabass 10 11 B2EH Federal Com Well No. 1H, (API NO. 30-015-50123)

Located in Section 10 and Section 11, T18S, R29E, Eddy County, New Mexico

Reference is made to your application received on January 26th, 2023.

You have requested an approval for a non-standard horizontal spacing unit as follows:

Description	Acres	Pool	Pool Code
N/2 of Section 10	640	Sand Tank; Bone Spring	96832
N/2 of Section 11			

You have requested an exception pursuant to Rule 19.15.16.15(B)(2) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter-quarter section, as required by Rule 19.15.16.15(B)(1) NMAC.

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 which are being included.

You have requested this non-standard horizontal spacing unit to eliminate the need for separate production facilities and additional administrative approvals. Therefore, reducing waste while protecting the correlative rights within the Bone Spring formation underlying N/2 of Section 10 and N/2 Section 11.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. These well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted email the Action ID number to the following e-mail address: ocd.engineer@emnrd.nm.gov.

Reference this NSP order number on the As Drilled C-102 submitted with the Authorization to Transport (C-104), to place these wells into production.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 2/19/2023