### NSP

## Initial

# Application

Revised March 23, 2017

JELE TOT SELECTION	RECEIVED: 08/23/21 REVIEWER: LRL TYPE: NSP APP NO: pLEL2123555074
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ABOVE THIS TABLE FO	R OCD DIVISION USE ONLY
NEW MEXICO OIL CONSI - Geological & Engine	ering Bureau –
1220 South St. Francis Drive, S	anta Fe, NM 87505
ADMINISTRATIVE APPLIC  THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE AF  REGULATIONS WHICH REQUIRE PROCESSING A	PPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Applicant: Mewbourne Oil Company	OGRID Number: 14744
Well Name: 5 Armstrong Wells :	API:
Pool: Purple Sage Wolfcamp (Gas)	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION RE INDICATED I	
1) TYPE OF APPLICATION: Check those which apply for A. Location – Spacing Unit – Simultaneous Dedic NSL NSP (PROJECT AREA)	
[ II ] Injection – Disposal – Pressure Increase – E	EOR PPR  FOR OCD ONLY  Notice Complete
<ul> <li>C. Application requires published notice</li> <li>D. Notification and/or concurrent approval be</li> <li>E. Notification and/or concurrent approval be</li> <li>F. Surface owner</li> <li>G. For all of the above, proof of notification of</li> <li>H. No notice required</li> </ul>	by SLO  Oy BLM  Content  Complete
3) CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this approval notifications are submitted to the Division.	to the best of my knowledge. I also
Note: Statement must be completed by an individua	l with managerial and/or supervisory capacity.
	7/27/2021
Cy Shook	Date
Print or Type Name	
/	806-682-3715
1 4/1/2	Phone Number
Cy Jun	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

August 23, 2021

### Via Certified Mail

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

Re: Application for Non-Standard Proration Unit

NE/4 of Section 26

SE/4 and S/2NE/4 of Section 23

T-25-S, R-31-E, NMPM Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to the Division Rules, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of non-standard proration unit for its proposed Armstrong 26/23 W1GG Fed Com #3H, Armstrong 26/23 W0GG Fed Com #4H, Armstrong 26/23 W1GG Fed Com #5H, Armstrong 26/23 W1HH Fed Com #2H, and Armstrong 26/23 W0HH Fed Com #1H. These wells will be drilled as horizontal gas wells in the Purple Sage Wolfcamp (Gas) Pool (98220).

The Armstrong 26/23 W1GG Fed Com #3H, Armstrong 26/23 W0GG Fed Com #4H, Armstrong 26/23 W1GG Fed Com #5H, Armstrong 26/23 W1HH Fed Com #2H, and Armstrong 26/23 W0HH Fed Com #1H will be dedicated to a non-standard 400-acre gas spacing and proration unit comprising the NE/4 of Section 26 and the SE/4 and S/2NE/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 non-standard proration unit is necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the NE/4 of Section 26 and the SE/4 and S/2NE/4 of Section 23. Mewbourne Oil Company ("Mewbourne") and Devon Energy

Production Company ("Devon") have agreed to codevelop the N/2 of Section 23 with Mewbourne developing the S2N2 of Section 23 from the south and Devon developing the N2N2 of Section 23. This agreement was reached in order to avoid contested hearings at the NMOCD. This agreement and the approval of this application will not cause there to be any stranded acreage as a result of these non-standard proration units.

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 W1GG Fed Com #3H, Armstrong 26/23 W0GG Fed Com #4H, Armstrong 26/23 W1GG Fed Com #5H, Armstrong 26/23 W1HH Fed Com #2H, and Armstrong 26/23 W0HH Fed Com #1H. 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

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 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

G

Dedicated Acres

23

13 Joint or Infill

25S

31E

14 Consolidation Code

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

**EDDY** 

**EAST** 

1360

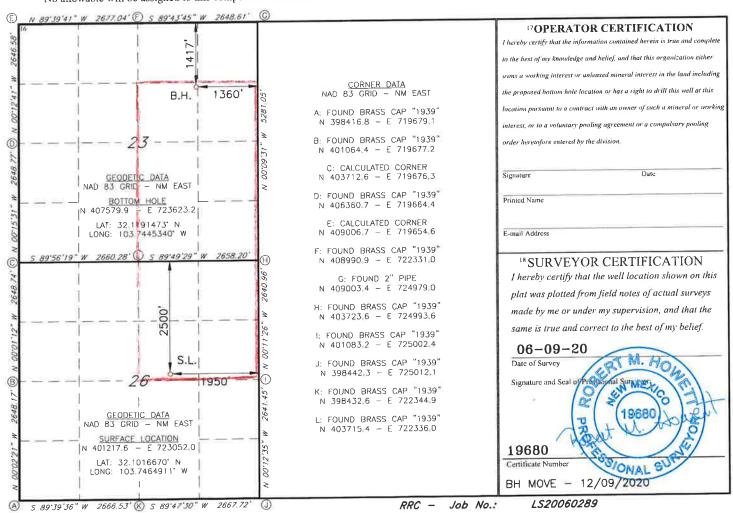
		V	VELL L	OCATIO	N AND ACR	EAGE DEDIC	CATION PLA	T			
30-015-46311			98	98226 Purple Sage Wolfcamp						(Gas)	
<sup>4</sup> Property Code ARMSTRONG 26/23 W1GG FED COM										6 Well Number 3H	
7 OGRID NO.  NEWBOURNE OIL COMPANY							9Elevation 3341'				
<sup>10</sup> Surface Location											
UL or lot no.	Section	Township	Range	Lot [dn	Feet from the	North/South line	Feet From the	East/We	est line	County	
G	26	25S	31E		2500	NORTH	1950	EAST		EDDY	
" 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	est line	County	

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.

1417

15 Order No.

NORTH



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400

### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

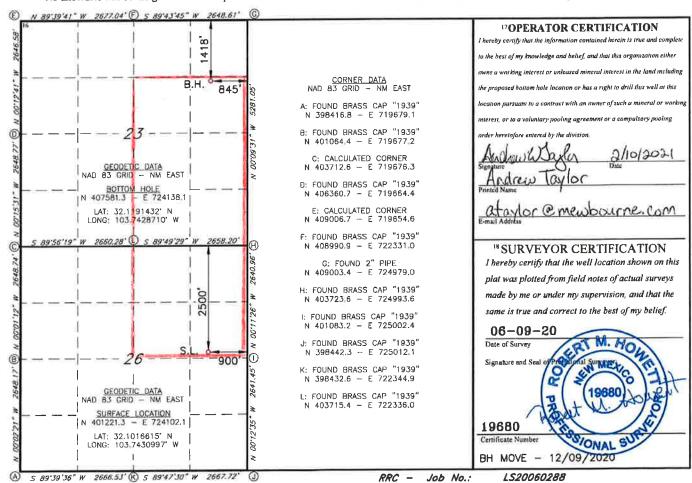
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

WELL LOCATION AND ACKEAGE DEDICATION LEAD										
	API Number 98 220					Purple Some	Paol Na 2 4) olfc		(bas	5
<sup>4</sup> Property Co	de	ARMSTRONG 26/23 WOHH FED COM  1H								
10GRID 14744	NO.	*Operator Name  **MEWBOURNE OIL COMPANY  **3341								
<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
H	26	25S	31E		2500	NORTH	900	EA:	ST	EDDY
" 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/W	est line	County
Н	23	25S	31E		1418	NORTH	845	EA:	ST	EDDY
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.										

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### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

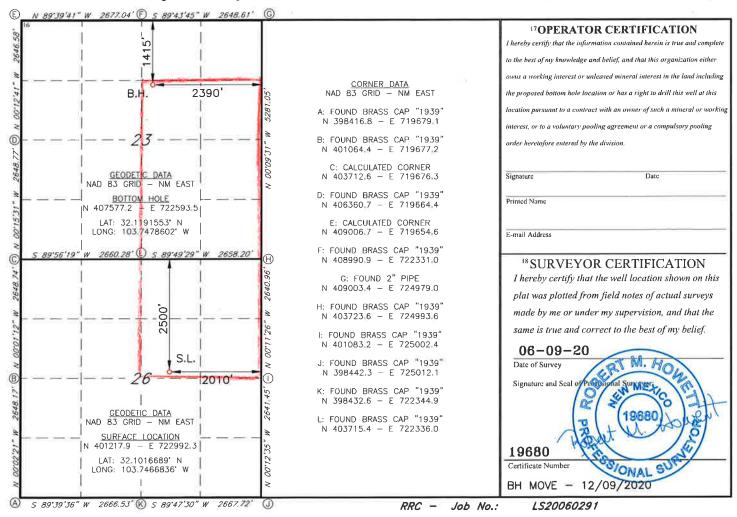
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WELL LOCATION AND ACREAGE DEDICATION PLAT

			11222			TEL TOE DED.	12 17			
30-01	API Numbe		99	<sup>2</sup> Pool Cod <b>220</b>		rple Soge	Wolfcamp		ر ء	
<sup>4</sup> Property Co					5 Property N	ame				6 Well Number
		ARMSTRONG 26/23 W1GG FED COM 5H								5H
7OGRID	VO.	8 Operator Name 9 Elevation								
14744		MEWBOURNE OIL COMPANY 3341'								
<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County
G	26	25S	31E		2500	NORTH	2010	EAST		EDDY
" 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/West line		County
G	23	25S	31E		1415	NORTH	2390	EAS	ST	EDDY
12 Dedicated Acres	13 Joint	or Infill	4 Consolidation	Code 15	Order No.	771	***			
400										

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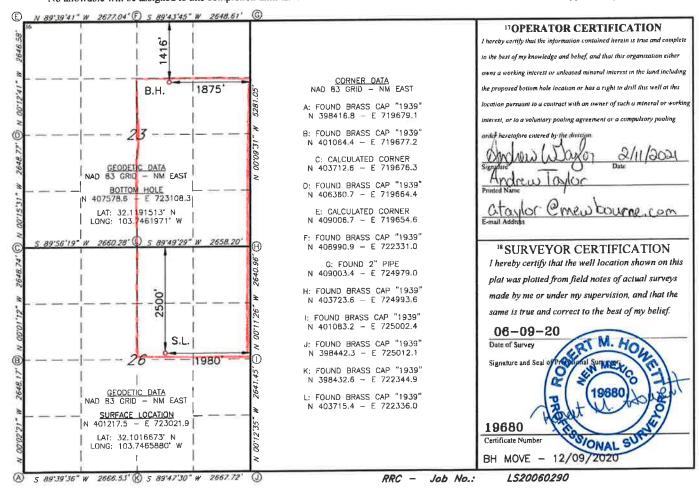
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 2 Pool Code 1 API Number 220 6 Well Number <sup>4</sup>Property Code 26/23 WOGG FED COM 4H ARMSTRONG 9Elevation 8 Operator Name 7 OGRID NO. 3341' MEWBOURNE OIL COMPANY 10 Surface Location East/West line North/South line Feet From the County Feet from the Township Lot Idn UL or lot no. **EDDY** NORTH 1980 EAST 2500 **25S** 31E G 26 11 Bottom Hole Location If Different From Surface East/West line County Lot Idn Feet from the North/South line Feet from the UL or lot no. Section Township Range **EDDY** NORTH 1875 EAST 23 25S 31E 1416 G 13 Joint or Infill 14 Consolidation Code 15 Order No 12 Dedicated Acres 400

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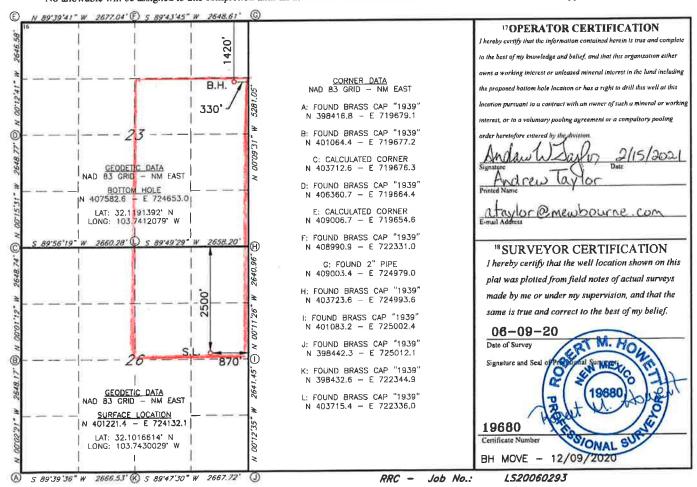
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Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

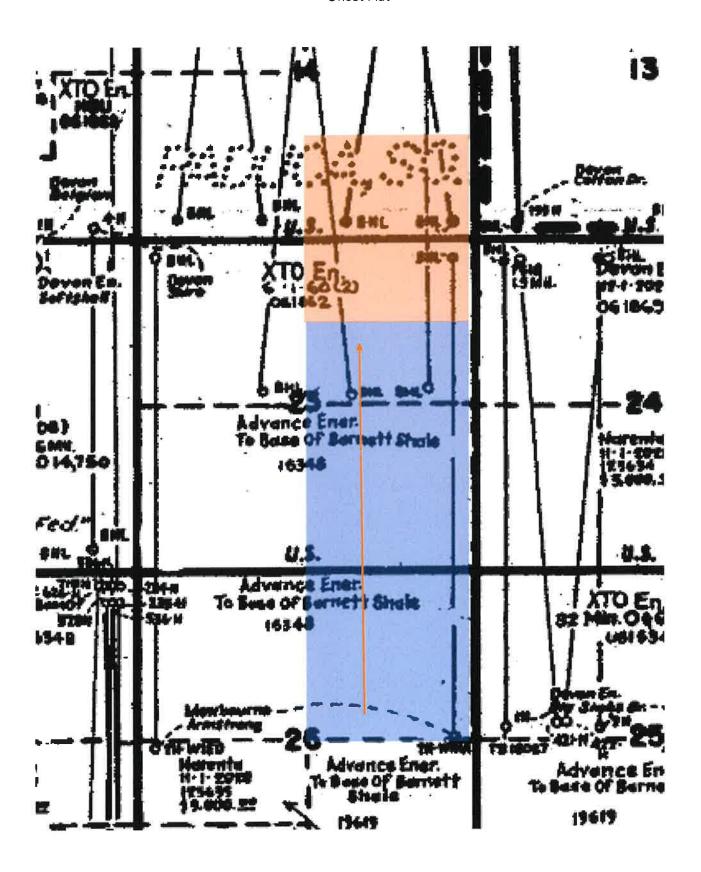
■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 2 Pool Code LAPI Number 98220 bas 6 Well Number 5 Property Name 4 Property Code ARMSTRONG 26/23 W1HH FED COM 2H PORID NO. 8 Operator Name 9Elevation 3341 MEWBOURNE OIL COMPANY 4 Surface Location East/West line North/South line Feet From the County Feet from the UL or lot no. Section Township Range Lot Idn **EDDY** EAST 2500 NORTH 870 H 26 25S 31E 11 Bottom Hole Location If Different From Surface Feet from the North/South line Feet from the East/West line County Lot Idn UL or lot no. Section Township Range 330 EAST **EDDY** NORTH 1420 23 **25S** 31E H 14 Consolidation Code 15 Order No 12 Dedicated Acres 13 Joint or Infill 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.



Offset Plat



### **List of Affected Entities**

XTO Energy, Inc. 22777 Springwoods Village Pkwy Spring, Texas 77389 Attn: Permian Land Manager

Devon Energy Production Company, LP Attn: Permian Land Manager 333 W. Sheridan Ave. Oklahoma City, Oklahoma 73102

### Cy Shook

From: webmaster@simplecertifiedmail.com

**Sent:** Friday, July 30, 2021 4:58 PM

To: Cy Shook

**Subject:** [EXT] Document Delivered



### **Document Delivered**

A document with a tracking code of 9414836897846198650826 and reference number of Armstrong W1GG NSP Notice was successfully delivered to Permian Land Manager at Devon Energy Production Company LP

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

So med man the sour

888-462-1750 ext. 2 assistance@simplecertifiedmail.com

SUCT MANAGEMENT AND A THE SERVICE OF

### Cy Shook

From: Cuccerre, Vincent < vincent.cuccerre@exxonmobil.com>

Sent: Tuesday, August 17, 2021 3:01 PM

**To:** Cy Shook; Pruitt, Jim R

Subject: [EXT] RE: Notice of NSP Application - Armstrong 26/23 W1GG Fed Com #3H

Hi Cy, hope all is well.

Received.

Thanks,

### Vincent Cuccerre, RPL

Landman – Delaware Basin XTO Energy Inc., an ExxonMobil Subsidiary

Office: 832-625-0665 Cell: 346-280-5347

This document may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient, you are on notice that any unauthorized disclosure, copying, distribution or taking of any action in reliance on the contents of this document is prohibited. Any offers or asks made herein expire after 30 days, are subject to final management approval and may be withdrawn at any time.

From: Cy Shook [mailto:cshook@Mewbourne.com]

Sent: Tuesday, August 17, 2021 1:59 PM

To: Cuccerre, Vincent <vincent.cuccerre@exxonmobil.com>; Pruitt, Jim R <jim.pruitt@exxonmobil.com>

Subject: Notice of NSP Application - Armstrong 26/23 W1GG Fed Com #3H

### **External Email - Think Before You Click**

Vincent and/or Jim,

I'm trying to send a Notice of NSP Application to XTO for the referenced well. All the Armstrong 26/23 wells require a non-standard proration unit.

USPS tried to deliver the certified notice but was unsuccessful. Will you please acknowledge receipt of the attached Notice of NSP Application so I can get this approved in time to complete these wells? As you know XTO is a participating partner in these and Mewbourne doesn't want to delay the completion because of this issue. Thanks,

### Cy Shook

Landman Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, Texas 79701 (432)682-3715

### **Tracking History**

Reminder to Schedule Redelivery of your item

This is a reminder to arrange for redelivery of your item or your item will be retui

July 30, 2021, 11:19 am Notice Left (No Authorized Recipient Available) SPRING, TX 77389

**July 30, 2021, 8:32 am**Out for Delivery
SPRING, TX 77389

July 30, 2021, 8:21 am Arrived at Post Office SPRING, TX 77379

July 29, 2021, 4:28 pm

Departed USPS Regional Destination Facility



### **Proof of Acceptance** (Electronic)

Date: 8/17/2021

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9414836897846198641640, addressed to Permian Land Manager

Accepted at USPS Regional Facility-July 27, 2021, 8:40 pm, MIDLAND TX DISTRIBUTION CENTER,

The item number, time, date, city, state, and zip code is a true extract of information provided by the United States Postal Service to SimpleCertifiedMail.com.

Permian Land Manager XTO Energy Inc. 22777 Springwoods Village Pkwy Spring, TX 77389 Reference #: Armstrong W1GG NSP Notice Group Name: MIDLAND OFFICE

The above information is for the sole use of SimpleCertifiedMail.com clients and represents information provided by the United States Postal Service.

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**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 42705

### **CONDITIONS**

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	42705
	Action Type:
	[UF-NSP] Non-Standard Proration (NSP)

### CONDITIONS

Created By	Condition	Condition Date
llowe	None	8/23/2021