

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
Governor

**Melanie A. Kenderdine**  
Deputy Secretary

**Ben Shelton**  
Deputy Secretary (Acting)

**Gerasimos "Gerry" Razatos**  
Division Director (Acting)  
Oil Conservation Division



Adriana Salgado  
[asalgado@mewbourne.com](mailto:asalgado@mewbourne.com)

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL – 8880**

**Mewbourne Oil Company [OGRID 14744]  
Bilbrey 34 27 Federal Com Well No. 855H  
API No. 30-025-PENDING**

Reference is made to your application received on January 31<sup>st</sup>, 2025.

**Proposed Location**

	<b>Footages</b>	<b>Unit/Lot</b>	<b>Sec.</b>	<b>Twsp</b>	<b>Range</b>	<b>County</b>
Surface	205 FSL & 1120 FEL	P	34	21S	32E	Lea
First Take Point	100 FSL & 2590 FEL	O	27	21S	32E	Lea
Last Take Point/ Terminus	100 FNL & 2590 FEL	B	27	21S	32E	Lea

**Proposed Horizontal Units**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
All of Section 27	1280	Lower; Wolfcamp	98258
All of Section 34			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **gas** 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 section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line

Administrative Order NSL – 8880  
Mewbourne Oil Company  
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perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 660 feet for a **gas** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 330 feet for a **gas** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and/or Last Take Points referenced above within the described Horizontal Spacing Unit.

This well's completed interval is as close as 100 feet to the southern edge and 100 feet toward the northern edge of the proposed horizontal spacing unit. Encroachment will impact the following tract(s).

Section 03, T22S, R32E, encroachment to the NE/4  
Section 22, encroachment to the SE/4

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 towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to recover additional oil and gas reserves within the Wolfcamp formation underlying all of Section 34 and all of Section 27. Thereby preventing waste within the formation all while protecting the correlative rights of affected persons in the encroached tracts.

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 Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.



**Gerasimos Razatos**  
Division Director (Acting)  
GR/lrl

**Date:** 3/19/2025

Revised March 23, 2017

ID NO. 427182

NSL - 8880

RECEIVED: 01/31/25	REVIEWER:	TYPE:	APP NO: pLEL2503429988
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Mewbourne Oil Company **OGRID Number:** 14744  
**Well Name:** Bilbrey 34/27 Fed Com #855H (W2OB) **API:** 30-025-Pending  
**Pool:** Lower Wolfcamp **Pool Code:** 98258

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application  
Content  
Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Adriana Salgado

Print or Type Name

Signature

January 30, 2025

Date

432-682-3715

Phone Number

asalgado@mewbourne.com

e-mail Address

## MEWBOURNE OIL COMPANY

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

January 31, 2025

Via FedEx

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

Re: Application for Unorthodox Well Location  
Bilbrey 34/27 Fed Com #855H (W2OB) (API # 30-025-PENDING)  
Surface Location: 205' FSL & 1120' FEL (Unit P – Section 34, T21S, R32E)  
First Take Point: 100' FSL & 2590' FEL (Unit O– Section 27, T21S, R32E)-**unorthodox**  
Last Take Point: 100' FNL & 2590' FEL (Unit B – Section 27, T21S, R32E)-**unorthodox**  
Bottomhole Location: 100' FNL & 2590' FEL (Unit B – Section 27, T21S, R32E)  
Proration Unit: All of Section 27 & All of Section 34, T-21-S, R-32-E, NMPM,  
Lea County, New Mexico  
Pool: Lower Wolfcamp Pool (98258)

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.16.15(B)(1)(a), Mewbourne Oil Company (“Mewbourne”) respectfully requests administrative approval of an unorthodox gas well location for the above captioned well. This well will be drilled as a horizontal gas well in the Lower Wolfcamp Pool (98258).

The above well will be dedicated to a 1280-acre gas spacing and proration unit comprising All of Section 27 and All of Section 34.

The Lower Wolfcamp Pool is currently governed by Statewide Horizontal Well Rule 19.15.16.15(C)(1)(b) which governs the first and last take point of a horizontal well and states they shall be no closer than 330 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying All of Section 27 and All of Section 34.

The affected offset acreage comprises the SE/4 of Section 21, the S/2 of Section 22, the SW/4 of Section 23, the W/2 of Section 26, the E/2 of Section 28, the E/2 of Section 33, the W/2 of Section 35, Township 21 South, Range 32 East and the NW/4 of Section 2, the N/2 of Section 3, the NE/4 of Section 4, Township 22 South, Range 32 East, NMPM (See Attached Map), which is operated by Mewbourne Oil Company, JKM Energy, LLC, ConocoPhillips Company, Matador Production Company and OXY USA Inc.

Attached is a Form C-102 showing the surface, first take point, and bottomhole locations for the above captioned well. Also, attached is a map showing the affected offset acreage, a horizontal well plan, and a notice list.

Mewbourne Oil Company  
Unorthodox Location Application  
Bilbrey 34/27 Fed Com #855H (W2OB)  
Page 2 of 2

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Lower Wolfcamp Pool underlying All of Section 27 and All of Section 34 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 [asalgado@mewbourne.com](mailto:asalgado@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in blue ink, appearing to read "Asalgado".

Adriana Salgado  
Landman



C-102  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	<input type="checkbox"/> Initial Submittal
				<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled		

## WELL LOCATION INFORMATION

API Number	Pool Code <b>98258</b>	Pool Name <b>LWR WOLFCAMP (GAS)</b>
Property Code	Property Name <b>BILBREY 34/27 FED COM</b>	Well Number <b>855H</b>
OGRID No.	Operator Name <b>MEYBOURNE OIL COMPANY</b>	Ground Level Elevation <b>3717'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>P</b>	<b>34</b>	<b>21S</b>	<b>32E</b>		<b>205 FSL</b>	<b>1120' FEL</b>	<b>32.4285668°N</b>	<b>103.6576917°W</b>	<b>LEA</b>

## Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>B</b>	<b>27</b>	<b>21S</b>	<b>32E</b>		<b>100 FNL</b>	<b>2590 FEL</b>	<b>32.4567661°N</b>	<b>103.6624321°W</b>	<b>LEA</b>

Dedicated Acres <b>1280</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>0</b>	<b>34</b>	<b>21S</b>	<b>32E</b>		<b>10 FSL</b>	<b>2590 FEL</b>	<b>32.4280103°N</b>	<b>103.6624543°W</b>	<b>LEA</b>

## First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>0</b>	<b>34</b>	<b>21S</b>	<b>32E</b>		<b>100 FSL</b>	<b>2590 FEL</b>	<b>32.4282576°N</b>	<b>103.6624542°W</b>	<b>LEA</b>

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>B</b>	<b>27</b>	<b>21S</b>	<b>32E</b>		<b>100 FNL</b>	<b>2590 FEL</b>	<b>32.4567661°N</b>	<b>103.6624321°W</b>	<b>LEA</b>

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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## OPERATOR CERTIFICATIONS

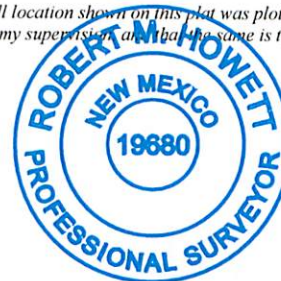
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Signature	Date
Printed Name	
Email Address	

## SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision and that the same is true and correct to the best of my belief.



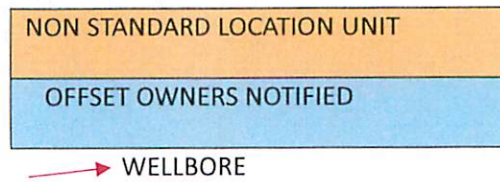
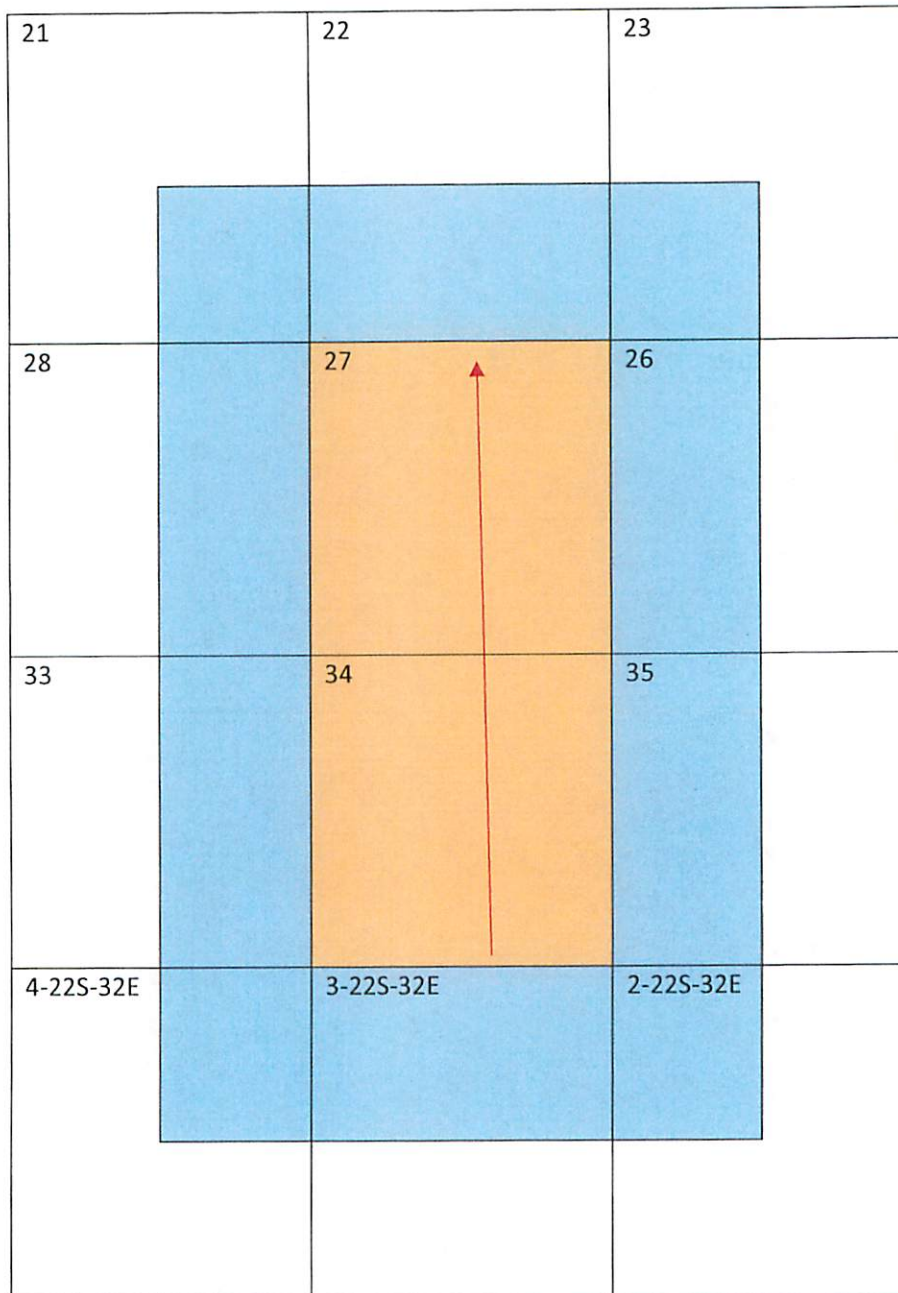
Signature and Seal of Professional Surveyor <i>Robert M. Howett</i>	
Certificate Number <b>19680</b>	Date of Survey <b>04/04/2022</b>

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





NSL-Bilbrey 34/27 Fed Com #855H (W2OB) Wolfcamp Well





NOTICE LIST  
APPLICATION FOR UNORTHODOX WELL LOCATION  
BILBREY 34/27 FED COM #855H (W20B) WELL  
SEC. 27 & 34, T21S, R32E, LEA COUNTY, NEW MEXICO

Type	Name of Noticed Party	Address	City	State	Zip	Location	Date Letter Sent	Certified Mail Number
	BLM New Mexico State Office	301 Dinosaur Trail	Santa Fe	New Mexico	87508		1/31/2025	9414 8362 0855 1277 7827 19
Operator	ConocoPhillips Company	600 W. Illinois Ave.	Midland	Texas	79701	S/2 of Sec 22, T21S, R32E	1/31/2025	9414 8362 0855 1277 7827 88
Operator	Matador Production Company	5400 LBJ Freeway, Ste. 1500	Dallas	Texas	75240	W/2SW/4 of Sec 35, T21S, R32E and NW/4 of Sec 2, T22S, R32E	1/31/2025	9414 8362 0855 1277 7650 64
	New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	New Mexico	87504-1148		1/31/2025	9414 8362 0855 1277 7828 49
Operator	OXY USA Inc.	P.O. Box 4294	Houston	Texas	77210-4294	NE/4 of Sec 4, T22S, R32E	1/31/2025	9414 8362 0855 1277 7652 55
Operator	Permian Resources Operating LLC	300 N. Marienfeld St., Suite 1000	Midland	Texas	79701	SE/4 of Sec 21, T21, R32E	1/31/2025	9414 8362 0855 1277 7829 17

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 427182

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 427182
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/3/2025