

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert Chang
Division Director
Oil Conservation Division



Paula M. Vance
pmvance@hollandhart.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9028

XTO Permian Operating, LLC [OGRID 373075]
Brushy Draw 31 Federal Well No. 705H
API No. 30-015-45200

Reference is made to your application received on July 29th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	223 FNL & 2316 FEL	B	31	25S	30E	Eddy
First Take Point	181 FNL & 1701 FEL	B	31	25S	30E	Eddy
Last Take Point	185 FSL & 1229 FEL	P	06	26S	30E	Eddy
Terminus	2422 FNL & 1107 FEL	H	07	26S	30E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W/2 E/2 & E/2 SE/4 Section 31, T25S, R30E E/2 Section 06, T26S, R30E NE/4 Section 97, T26S, R30E	720	Corral Canyon; Bone Spring, South	13354

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)(1)(a) NMAC governs this proposed well and provides that the operator dedicate a horizontal well at 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. 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 - 9028
XTO Permian Operating, LLC
Page 2 of 2

perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** 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 100 feet for a well within the horizontal plane, to any outer boundary of the horizontal spacing unit.

The well's completed interval is less than 330 feet to the eastern boundary of the horizontal spacing unit near the first take point. Encroachment will impact the following tract(s).

Section 31, encroachment to the E/2 NE/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 as your preferred well spacing plan for horizontal wells within the Wolfcamp formation underlying W/2 E/2 & E/2 SE/4 Section 31, T25S, R30E, E/2 Section 06, T26S, R30E and the NE/4 Section 07, T26S, R 30E, thereby preventing waste.

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.



Albert Chang
Division Director
AC/lrl

Date: 9/20/2025

ID NO. 489872

NSL - 9028

Revised March 23, 2017

RECEIVED: 07/29/25	REVIEWER:	TYPE:	APP NO:
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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: XTO Permian Operating, LLC **OGRID Number:** 373075
Well Name: Brushy Draw 31 Federal 705H **API:** 30-015-45200
Pool: Corral Canyon; Bone Spring, South **Pool Code:** 13354

**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☐ PPR**2) 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.

July 29, 2025

Date

Paula M. Vance

Print or Type Name

505-988-4421

Phone Number

pmvance@hollandhart.com

e-mail Address

Signature



Paula M. Vance
Associate Attorney
Phone (505) 954-7286
PMVance@hollandhart.com

July 29, 2025

VIA ONLINE FILING

Albert Chang, Division Director
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: XTO Energy Inc.
Request for Administrative Approval of Unorthodox Well Location

Brushy Draw 31 Federal 705H well
W/2 NE/4 and SE/4 of Section 31, T25S-R30E, E/2 of Section 6 and NE/4 of Section 7,
T26S-R30E, NMPM, Eddy County, New Mexico
Corral Canyon; Bone Spring, South [13354]
API No. 30-015-45200

Dear Mr. Chang:

XTO Energy Inc. (OGRID No. 5380), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Corral Canyon; Bone Spring, South [13354], seeks administrative approval of an unorthodox well location for its As-Drilled **Brushy Draw 31 Federal 705H** well (API No. 30-015-45200), in a 720-acre, more or less, spacing unit underlying W/2 NE/4 and SE/4 of Section 31, T25S-R30E, E/2 of Section 6 and NE/4 of Section 7, T26S-R30E, NMPM, Eddy County, New Mexico.

The location of the As-Drilled **Brushy Draw 30 Federal 705H** defining well is as follows:

- Surface location: 223' FNL and 2,316' FEL (Unit B) of Section 31, T25S-R30E
- First take point: 181' FNL and 1,701' FEL (Unit B) of Section 31, T25S-R30E
- Last take point: 185' FSL and 1,229' FEL (Unit P) of Section 6, T26S-R30E
- Bottom hole location: 2,422' FNL and 1,107' FEL (Unit H) of Section 7, T26S-R30E

Since this acreage is governed by state rules for oil wells, the interval for this well is unorthodox because a portion of the lateral encroaches along the eastern boundary of the spacing unit—thus, encroaching on tracts within XTO's Poker Lake Unit ("PLU") comprising the E/2 NE/4 of Section 31, T25S-R30E.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

XTO respectfully requests administrative approval of the As-Drilled non-standard location for the **Brushy Draw 31 Federal 705H**. Approval of the unorthodox interval is necessary to allow XTO to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

Exhibit A is a Form C-102 showing that the As-Drilled lateral of the Brushy Draw 31 Federal 705H well encroaches on tracts within XTO's PLU to the east.

Exhibit B is a plat for the subject area that shows the As-Drilled Brushy Draw 31 Federal 705H well in relation to the offsetting PLU, which is operated by XTO. The exhibit also identifies the other working interest owner in the offsetting adjoining Unit tracts: Chevron USA Inc. In addition, the exhibit identifies that the offsetting tracts include a Bureau of Land Management ("BLM") lease. Accordingly, the "affected persons"¹ are Chevron and BLM.

Exhibit C is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

Type	Affected Party	Location
Federal Mineral Interest	Bureau of Land Management	XTO's Poker Lake Unit tracts (E/2 NE/4 of Section 31, T25S-R30E)
WIO	Chevron USA Inc.	

Your attention to this matter is appreciated.

Sincerely,



Paula M. Vance
ATTORNEY FOR XTO ENERGY INC.

¹ See NMAC §§ 19.15.2.7.A(8) [defining "affected persons" as, "in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner"] and 19.15.4.12.A(2)(a).

Santa Fe Main Office Phone: (505) 476-3441 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONVERSION DIVISION	EXHIBIT A	C-102 July, 09 2024 Electronically CD permitting
		Submittal Type:	☐ Initial Submittal ☐ Amended Report ☒ As Drilled

WELL LOCATION INFORMATION

API Number 30-015-45200	Pool Code 13354	Pool Name CORRAL CANYON; BONE SPRING, SOUTH
Property Code 325508	Property Name BRUSHY DRAW 31 FEDERAL	Well Number 705H
OGRID No. 373075	Operator Name XTO PERMIAN OPERATING, LLC.	Ground Level Elevation 3,100'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	31	25S	30E		223 FNL	2,316 FEL	32.093002	-103.919499	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
H	7	26S	30E		2,422 FNL	1,107 FEL	32.057763	-103.915581	EDDY

Dedicated Acres 720.00	Infill or Defining Well Defining	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code C
Order Numbers.			Well Setbacks are under Common Ownership: ☒ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	30	25S	30E		30 FSL	1,702 FEL	32.093703	-103.917516	EDDY

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	31	25S	30E		181 FNL	1,701 FEL	32.093123	-103.917513	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	6	26S	30E		185 FSL	1,229 FEL	32.064927	-103.915973	EDDY

Unitized Area or Area of Interest	Spacing Unit Type: ☒ Horizontal ☐ Vertical	Ground Elevation 3,100'
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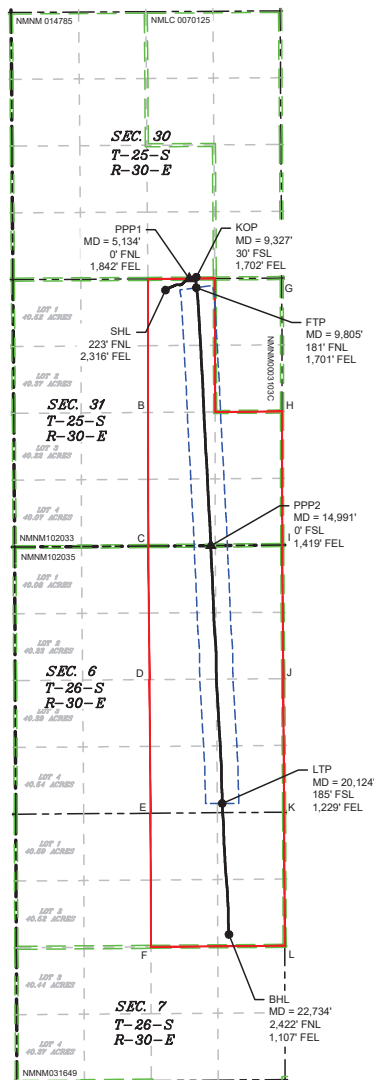
OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or a voluntary pooling agreement or a compulsory pooling order of heretofore entered by the division.</i> <i>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 information) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i> Signature _____ Date _____ Printed Name _____ Email Address _____	SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i>  Signature and Seal of Professional Surveyor _____ MARK DILLON HARP 23786 _____ 6/24/2025 Certificate Number Date of Survey DB 618.013014.02-14
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Note: 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.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well Locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be accepted.



LEGEND

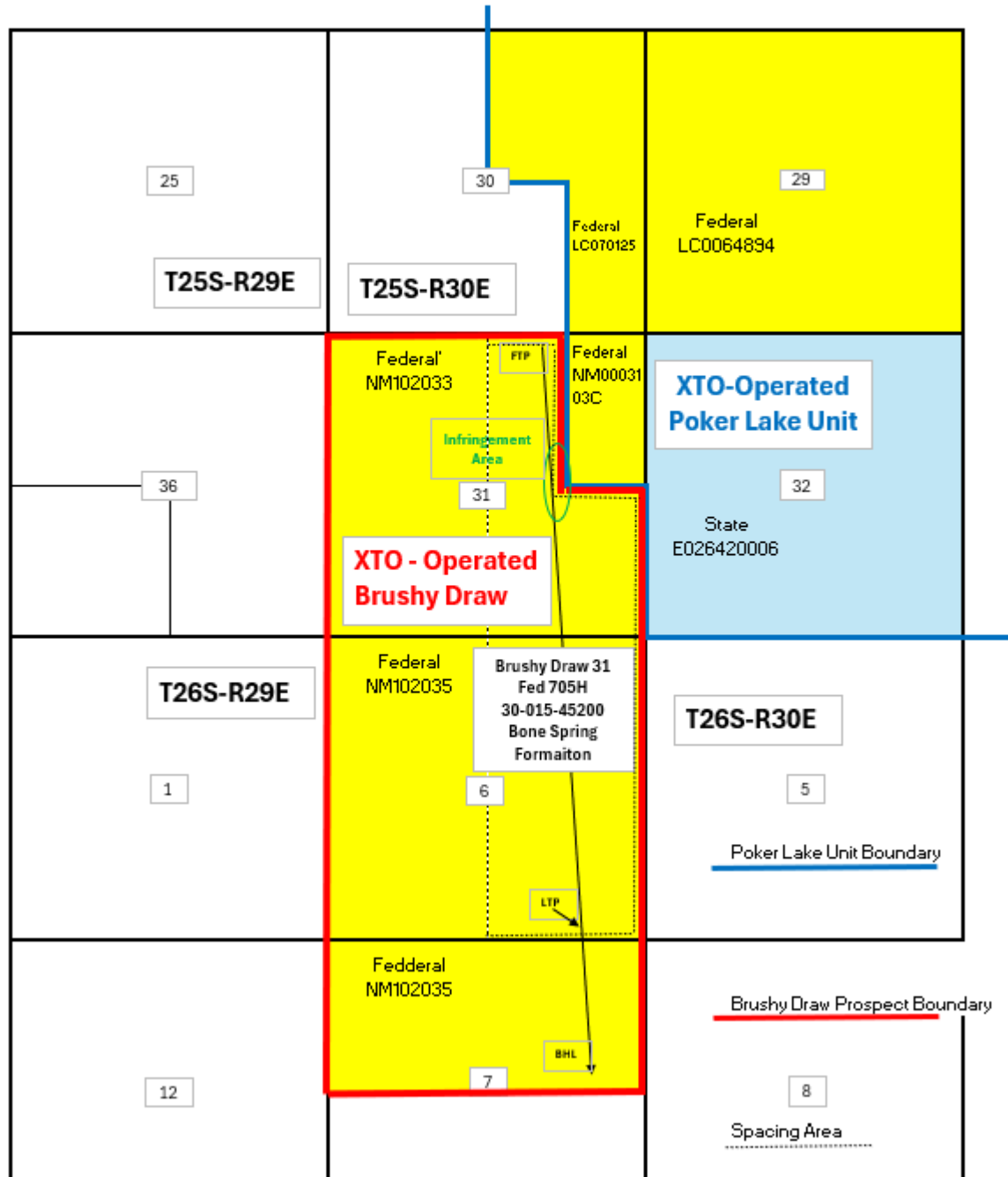
- SECTION LINE
- TOWNSHIP LINE
- DEDICATED ACREAGE
- 330' BUFFER
- MINERAL LEASE
- WELL BORE
- PPP
- WELL

WELL COORDINATE TABLE							
WELL	NAD 83 NME X	NAD 83 NME Y	NAD 83 LAT	NAD 83 LON	NAD 27 NME X	NAD 27 NME Y	NAD 27 LON
SHL	669,492.1	397,816.8	32.093002	-103.919499	628,307.1	397,758.6	32.092877
KOP	670,105.1	398,074.3	32.093703	-103.917516	628,920.1	398,016.1	32.093578
FTP	670,106.8	397,863.2	32.093123	-103.917513	628,921.8	397,805.0	32.092998
LTP	670,623.4	387,607.9	32.064927	-103.915973	629,438.1	387,549.9	32.064801
BHL	670,755.1	385,002.3	32.057763	-103.915581	629,569.7	384,944.5	32.057638
PPP	669,965.8	398,043.4	32.093620	-103.917966	628,780.8	397,985.2	32.093495
PPP2	670,394.8	392,734.4	32.079021	-103.916647	629,209.6	392,676.4	32.078896

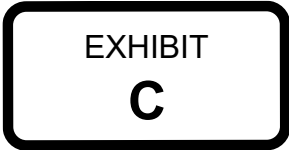
CORNER COORDINATE TABLE				
CORNER	NAD 83 NME X	NAD 83 NME Y	NAD 27 NME X	NAD 27 NME Y
A	669,143.7	398,038.1	627,958.7	397,979.9
B	669,148.4	395,382.1	627,963.3	395,323.9
C	669,153.0	392,724.9	627,967.9	392,666.9
D	669,175.5	390,069.6	627,990.3	390,011.7
E	669,197.9	387,411.9	628,012.6	387,354.0
F	669,204.1	384,756.6	628,018.7	384,698.7
G	671,807.6	398,055.2	630,622.6	397,997.0
H	671,810.4	395,399.9	630,625.3	395,341.8
I	671,814.0	392,745.3	630,628.8	392,687.2
J	671,835.0	390,088.9	630,649.7	390,030.9
K	671,853.2	387,433.3	630,667.8	387,375.4
L	671,863.4	384,776.9	630,678.0	384,719.1

EXHIBIT
B

EXHIBIT "A"
Application for Non-Standard Location
Brushy Draw 31 Federal #705H
Bone Spring Formation



Bureau of Land Management	620 E Greene St.	Carlsbad	NM	88220
Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
Chevron U.S.A Inc.	c/o Valerie Mattiza, 1400 Smith Street	Houston	TX	77002
Chevron U.S.A. Inc.	Attn: Land Department, 6301 Deauville Blvd.	Midland	TX	79706





Paula M. Vance
Associate Attorney
Phone (505) 954-7286
PMVance@hollandhart.com

July 21, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: XTO Energy Inc.
Request for Administrative Approval of Unorthodox Well Location

Brushy Draw 31 Federal 705H well
W/2 NE/4 and SE/4 of Section 31, T25S-R30E, E/2 of Section 6 and NE/4 of Section 7,
T26S-R30E NMPM, Eddy County, New Mexico
Corral Canyon; Bone Spring, South [13354]
API No. 30-015-45200

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Brett Woody, CPL
XTO Energy Inc.
(346) 566-9338
brett.woody@exxonmobil.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

ATTORNEY FOR XTO ENERGY INC.

XTO - Brushy Draw 705H - NSL
Postal Delivery Report

9414811898765443338059	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to the front desk, reception area, or mail room at 12:05 pm on July 25, 2025 in CARLSBAD, NM 88220.
9414811898765443338028	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 11:01 am on July 25, 2025 in SANTA FE, NM 87508.
9414811898765443338004	Chevron U.S.A Inc. C/O Valerie Mattiza	1400 Smith St	Houston	TX	77002-7311	Your item arrived at the HOUSTON, TX 77002 post office at 12:31 pm on July 25, 2025 and is ready for pickup.
9414811898765443338097	Chevron U.S.A. Inc. Attn Land Department	6301 Deauville	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 12:44 pm on July 25, 2025 in MIDLAND, TX 79706.

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 489872

CONDITIONS

Operator: XTO PERMIAN OPERATING LLC. 6401 HOLIDAY HILL ROAD MIDLAND, TX 79707	OGRID: 373075
	Action Number: 489872
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	7/31/2025