

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



September 30, 2014

Mewbourne Oil Co  
Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

**Administrative Order NSL-7161**  
**Administrative Application Reference No. pMAM1425248313**

**Mewbourne Oil Co**  
**OGRID 14744**  
**Jester "19" W2AP Federal Well No. 1H**  
**API No. 30-015-pending**

**Proposed Location:**

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	185 FNL & 710 FEL	A	19	23S	27E	Eddy
Penetration Point	758 FNL & 699 FEL	A	19	23S	27E	Eddy
Terminus	330 FSL & 660 FEL	P	19	23S	27E	Eddy

**Proposed Project Area:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 19	320	Forehand Ranch; Wolfcamp (Gas)	76780

Reference is made to your application received on September 9, 2014.

You have requested to drill this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This proration unit is governed by statewide Rule 19.15.15.10.B NMAC, which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary, and Rule 19.15.16.14.B NMAC concerning directional wells in designated project areas. This location is unorthodox because a portion of the project area is less than 660 feet from the unit boundary.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location, in order to maximize recovery of oil and gas reserves from the Wolfcamp formation underlying the E/2 of Section 19.

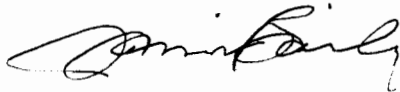
Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 9.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is 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.

DONE at Santa Fe, New Mexico, on September 30, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized flourish at the end.

Jami Bailey  
Director

JB/mam

cc: New Mexico Oil Conservation Division – Artesia  
United States Bureau of Land Management – Carlsbad