

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



October 19, 2020

Mr. Cy Shook
cshook@mewbourne.com

NON-STANDARD LOCATION

Administrative Order NSL-8088

**Mewbourne Oil Company [OGRID 14744]
Armstrong 26 23 WOEE Federal Com Well No. 4H
API No. 30-015-PENDING**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2500 FNL & 870 FWL	E	26	25S	31E	Eddy
First Take Point	2310 FNL & 330 FWL	E	26	25S	31E	Eddy
Last Take Point/ Terminus	1420 FNL & 330 FWL	E	23	25S	31E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 of Section 26 SW/4 & S/2 NW/4 of Section 23	400	Purple Sage; Wolfcamp (GAS)	98220

Reference is made to your application received on September 29, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern edge of the boundary line. Encroachment will impact the following tract.

Section 23, encroachment to the N/2 NW/4
Section 14, encroachment to the S/2 SW/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. All waivers were signed; therefore, the notice duration is no longer valid.

Division understands you are seeking this unorthodox location in order to allow for efficient spacing of horizontal wells and thereby preventing waste within the Wolfcamp formation underlying Section 21, Section 28 and Section 33

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.**

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office