STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY MEWBOURNE OIL COMPANY

ORDER NO. CTB-1090

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Mewbourne Oil Company ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 6. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
- 7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
- 8. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.

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- 9. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
- 10. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

- 1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.
 - Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.
- 2. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 4. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 6. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 7. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 8. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

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9. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

DATE: <u>10/</u>24/2025

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ALBERT C. S. CHANG

Albert Chang

DIRECTOR

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State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1090

Operator: Mewbourne Oil Company (14744)

Central Tank Battery: Gobbler 5 6 B3IL State Com 2H Battery

Central Tank Battery Location: UL I, Section 5, Township 19 South, Range 29 East Gas Title Transfer Meter Location: UL J, Section 5, Township 19 South, Range 29 East

Pools

Pool Name Pool Code PALMILLO;BONE SPRING, EAST 49553

Leases as defined in 19.15.12.7(C) NMAC				
Lease	UL or Q/Q	S-T-R		
CA Dana Carrina NMCLO DUN 1205502	N/2 N/2	5-19S-29E		
CA Bone Spring NMSLO PUN 1395502	N/2 N/2	6-19S-29E		
CA Bone Spring NMSLO PUN 1395392	S/2 N/2	5-19S-29E		
CA Bone Spring NMSLO PUN 1393392	S/2 N/2	6-19S-29E		
CA Dana Spring NMSLO DIIN 1200656	N/2 S/2	5-19S-29E		
CA Bone Spring NMSLO PUN 1390656	N/2 S/2	6-19S-29E		
CA Dana Spring NMSLO DLIN 1200226	S/2 S/2	5-19S-29E		
CA Bone Spring NMSLO PUN 1390336	S/2 S/2	6-19S-29E		

Wells						
Well API	Well Name	UL or Q/Q	S-T-R	Pool		
30-015-47883 Gobbler 5 6 B3AD State Com	Gobbler 5 6 B3AD State Com #2H	N/2 N/2	5-19S-29E	49553		
30-013-47003	S0-015-47885 GODDIER S 0 BSAD State Colli #2H	N/2 N/2	6-19S-29E			
30-015-47882 Gobbler 5 6 B3HE State Co	Gobbler 5 6 B3HE State Com #2H	S/2 N/2	5-19S-29E	49553		
30-013-47002	50-015-47002 Gubbler 5 0 B3HE State Colli #2H	S/2 N/2	6-19S-29E	49333		
30-015-46726 Gobbler 5 6 B3IL State Com #2H	726 Gobbler 5 6 B31L State Com #2H	N/2 S/2	5-19S-29E	49553		
		N/2 S/2	6-19S-29E			
30-015-46725 Gobbler 5 6 B3PM State Com #2H	Cabbler 5 (D2DM State Com #2H	S/2 S/2	5-19S-29E	49553		
	Gubbler 3 o D3r W State Colli #2ff	S/2. S/2.	6-19S-29E	49555		

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

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/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 521209

CONDITIONS

Operator:	OGRID:	
MEWBOURNE OIL CO	14744	
P.O. Box 5270	Action Number:	
Hobbs, NM 88241	521209	
	Action Type:	
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)	

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov.	10/29/2025