

MEWBOURNE OIL COMPANY
4801 Business Park Blvd
Hobbs, NM 88240
575-393-5905
March 10, 2022

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

Commissioner of Public Lands
Attn: Commingling Manager
PO Box 1148
Santa Fe, NM 87504-1148

RE: Application for State Lease Commingle

To: Whom It May Concern

Mewbourne Oil Company ("Mewbourne") is requesting permission to surface commingle production from four wells located on State leases (L010220004, V006890000, LG38470004, & VB29010000) which comprise portions of section 5 & 6, T19S, R29E, Eddy County, New Mexico. All oil production from each well is to be stored in a central tank battery located in the NESE of said section 5, T19S, R29E. All gas production will be measured by an allocation meter for each well, then commingled and sold to an Enterprise gas sales meter (#68888-01) located in the NWSE of section 5, T19S, R29E, Eddy County, New Mexico. Information detailing each well is attached.

Please find the following enclosed:

- Cover Letter
- Commingling Summary Page
- Form C102 of wells & battery
- Detailed Maps: lease boundaries & facility locations
- Application Checklist
- Form C-107 B
- Copy of letter sent certified to all involved parties
- List of all involved parties

Signed: Chad Cole
Printed Name: Chad Cole
Title: Regulatory Specialist
Date: 3/10/2022

APPLICATION FOR LEASE COMMINGLING, CENTRAL TANK BATTERY (CTB)

Commingling procedure for Gobbler 5/6 leases:

Mewbourne Oil Company is requesting approval for lease commingling oil production from 4 wells located on State leases below in a Central Tank Battery "CTB":

Well Name	Location	API #	Pool #	State Leases	MCFPD	Dry BTU @ 14.73 PSI
Gobbler 5/6 B3AD State Com 2H	1380' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47883	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3HE State Com 2H	1410' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47882	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3IL State Com 2H	1310' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46726	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250
Gobbler 5/6 B3PM State Com 2H	1280' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46725	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250

Oil, Water, & Gas Metering

The central tank battery in the NESE of Section 5, T19S, R29E, Eddy County, New Mexico. The production for all four wells will come to its own separator. From the separator production will be allocated as follows:

Oil Metering:

Oil volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Oil from each separator will be metered and then sent to a heater treater (HT). Oil from the HT will then flow to a vapor recovery tower (VRT) and then to the 750 BBL oil tanks (OT). Oil production will be allocated on a daily basis based on the oil allocation meter downstream of the separator. This meter will be proven based on API, NMOCD and BLM specifications by tank testing. This process is performed by isolating a well to specific oil tanks and calibrating the meter based on the production numbers. The oil production from these wells listed above will be measured, commingled and then sold via truck haul or LACT.

Gas Metering:

Gas volumes will be measured by using an allocation gas meter after the separator at the facility for each well. The gas production from the wells listed above will be measured, commingled, and then sold on lease using the 24 hr. well test method. An Enterprise gas sales meter (MM #68888-01) will be located in the NWSE of Section 5, T19S, R29E, Eddy County, New Mexico (32.6868112, -104.0932086). This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Water Metering:

Water volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Water from each separator will be metered and sent to the 1000 BBL gun barrel (GB). From the GB the water will be sent to the 750 BBL water tanks (WT). Water production will be allocated on a daily basis based on the water allocation meter downstream of the separator. The water production from these wells listed above will be measured, commingled and disposed of via truck haul or pipelined to disposal.

Economic Justification

Well Name	BOPD EST	Oil Gravity @ 60°	Value/bbl	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Gobbler 5/6 B3AD State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3HE State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3IL State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3PM State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
CTB Combined	6,000	48	\$110	~12,000	1250	\$4.50

Process and Flow Descriptions:

The flow of production is shown in detail on the enclosed facility diagram and map which shows lease boundaries, wells, and battery location. The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Working, royalty, & overriding interest owners have been notified of the proposal via certified mail (see attached).

Signed: Chad Cole

Printed Name: Chad Cole

Title: Regulatory Specialist

Date: 3/10/2022

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1000 Rio Benito Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name GOBBLER 5/6 B3AD STATE COM			
6 Well Number 2H		7 Elevation 3410'			
8 GRID NO.		9 Operator Name MEWBOURNE OIL COMPANY			
10 Surface Location					
UL or lot no. H	Section 5	Township 19S	Range 29E	Lot Idn 130E	Feet From the NORTH 205 EAST EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. 4	Section 6	Township 19S	Range 29E	Lot Idn 650	Feet from the NORTH 100 WEST EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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.

CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N: 612199.2 - E: 606385.7 B: FOUND BRASS CAP "1941" N: 614843.8 - E: 606380.4 C: FOUND BRASS CAP "1914" N: 617517.3 - E: 606378.0 D: FOUND 1/2" REBAR N: 617485.1 - E: 606788.6 E: CALCULATED CORNER N: 617471.0 - E: 611427.2 F: CALCULATED CORNER N: 617427.6 - E: 618705.7		G: FOUND LIMESTONE ROCK 10"x10"x9" N: 614773.1 - E: 618714.5 H: FOUND LIMESTONE ROCK 11"x8"x3" N: 612132.9 - E: 618710.3 I: FOUND LIMESTONE ROCK 13"x4.5"x2.5" N: 612145.3 - E: 614088.0 J: FOUND 1/2" REBAR N: 612158.4 - E: 611430.7 K: FOUND 1/2" REBAR N: 612174.7 - E: 608793.3 L: FOUND LIMESTONE ROCK 12"x10"x4" N: 614801.1 - E: 611424.8		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____	
18 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor ROBERT M. HOWETT 19680 Certificate Number BH MOVE - 12/15/2020		19 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor ROBERT M. HOWETT 19680 Certificate Number BH MOVE - 12/15/2020			

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4 Property Code		5 Property Name GOBBLER 5/6 B3HE STATE COM			
6 Well Number 2H		7 Elevation 3410'			
8 OGRID NO.		9 Operator Name MEWBOURNE OIL COMPANY			
10 Surface Location					
UL or lot no. H	Section 5	Township 19S	Range 29E	Lot Ids 1410	Feet From the North/South line NORTH 205 EAST EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. 5	Section 6	Township 19S	Range 29E	Lot Ids 2000	Feet From the North/South line NORTH 100 WEST EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.		

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4 Property Code		5 Property Name GOBBLER 5/6 B3IL STATE COM			
6 Well Number 2H		7 OGRID NO.			
8 Operator Name MEWBOURNE OIL COMPANY				9 Elevation 3401'	
10 Surface Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line
P	5	19S	29E		1310
				SOUTH	
				250	
				EAST	
				EDDY	
11 Bottom Hole Location If Different From Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line
6	6	19S	29E		1850
				SOUTH	
				100	
				WEST	
				EDDY	
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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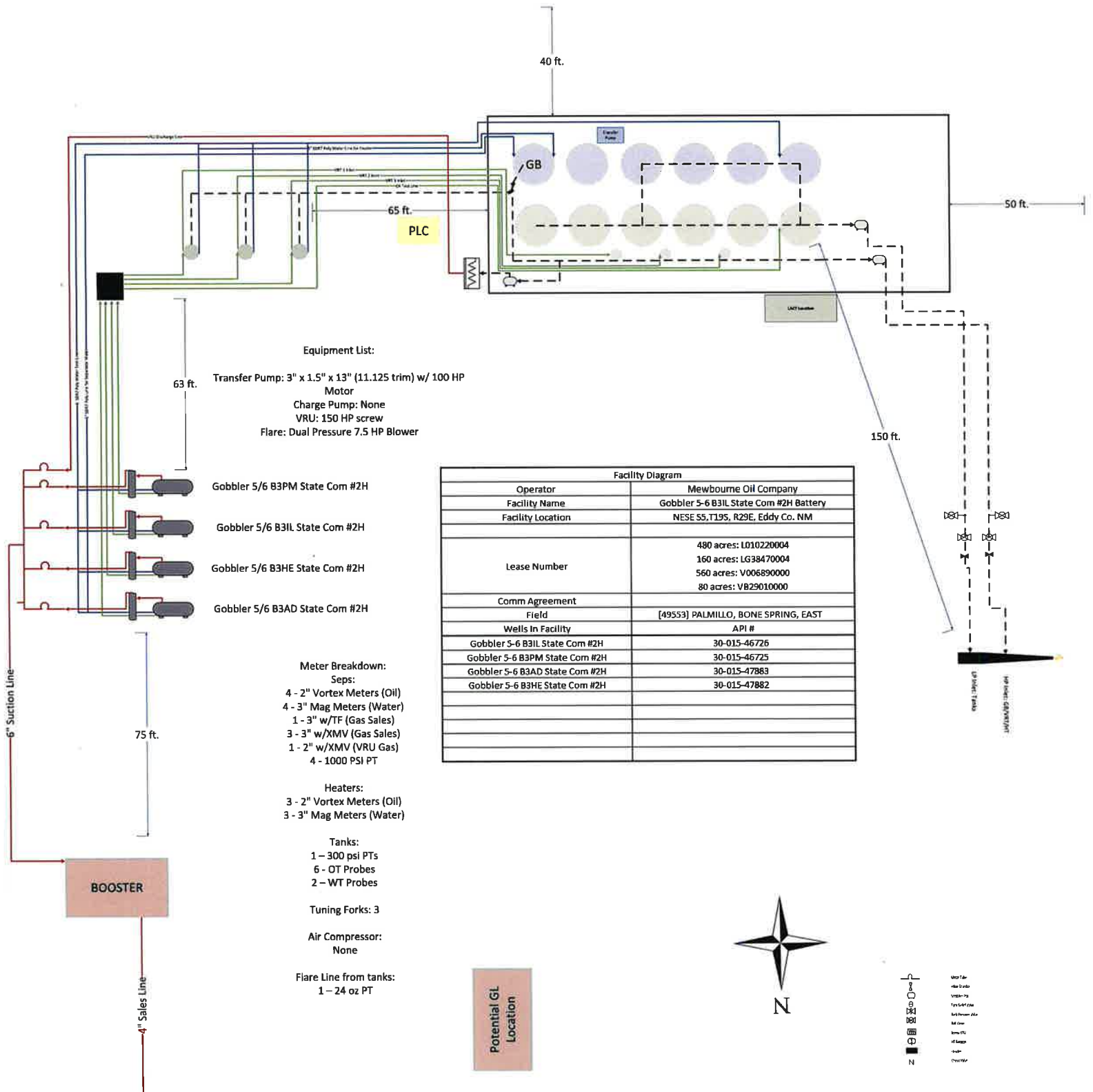
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WELL LOCATION AND ACREAGE DEDICATION PLAT

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4 Property Code		5 Property Name GOBBLER 5/6 B3PM STATE COM			
6 Well Number 2H		7 Elevation 3401'			
8 GRID NO.		9 Operator Name MEWBOURNE OIL COMPANY			
10 Surface Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line
P	5	19S	29E		1280
					SOUTH
					250
					EAST
					EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line
7	6	19S	29E		450
					SOUTH
					100
					WEST
					EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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Equipment List:

- Transfer Pump: 3" x 1.5" x 13" (11.125 trim) w/ 100 HP Motor
- Charge Pump: None
- VRU: 150 HP screw
- Flare: Dual Pressure 7.5 HP Blower

- Gobbler 5/6 B3PM State Com #2H
- Gobbler 5/6 B3IL State Com #2H
- Gobbler 5/6 B3HE State Com #2H
- Gobbler 5/6 B3AD State Com #2H

Meter Breakdown:

- Seps:
 - 4 - 2" Vortex Meters (Oil)
 - 4 - 3" Mag Meters (Water)
 - 1 - 3" w/TF (Gas Sales)
 - 3 - 3" w/XMV (Gas Sales)
 - 1 - 2" w/XMV (VRU Gas)
 - 4 - 1000 PSI PT
- Heaters:
 - 3 - 2" Vortex Meters (Oil)
 - 3 - 3" Mag Meters (Water)

Tanks:

- 1 - 300 psi PTs
- 6 - OT Probes
- 2 - WT Probes

Tuning Forks: 3

Air Compressor: None

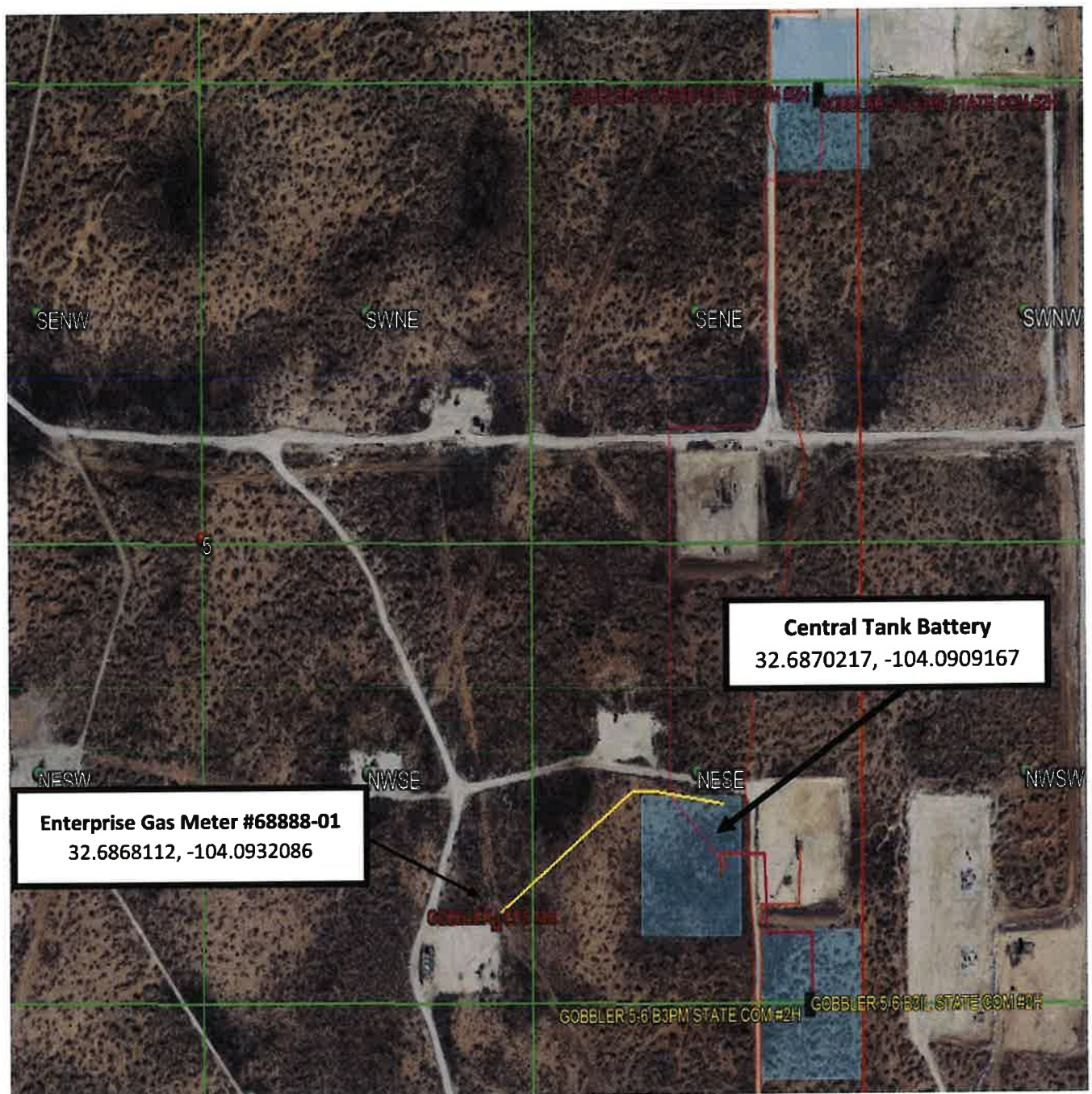
Flare Line from tanks: 1 - 24 oz PT

Facility Diagram

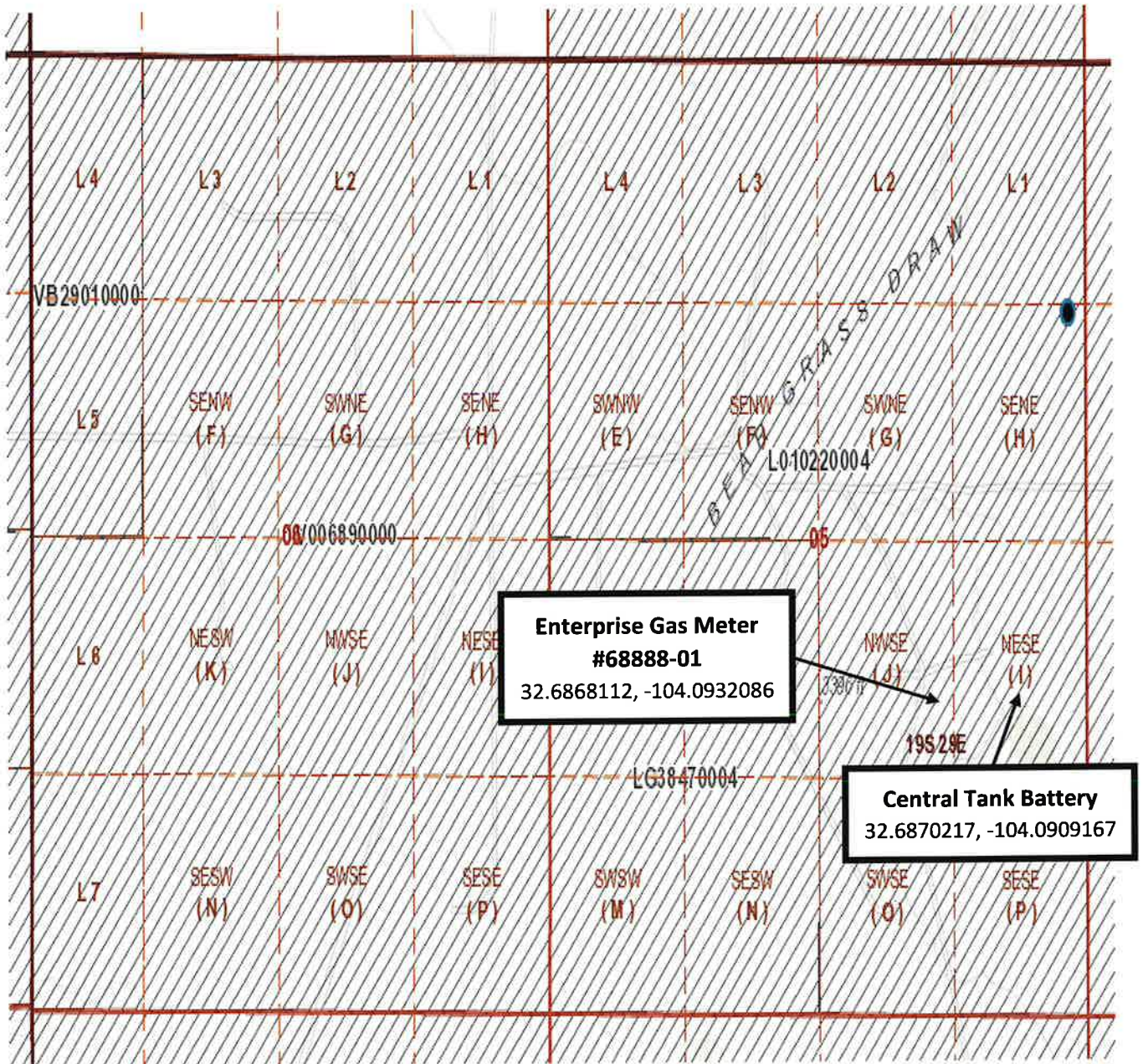
Operator	Mewbourne Oil Company
Facility Name	Gobbler 5-6 B3IL State Com #2H Battery
Facility Location	NESE S5, T19S, R29E, Eddy Co. NM
Lease Number	480 acres: L010220004 160 acres: LG38470004 560 acres: V006890000 80 acres: VB29010000
Comm Agreement	
Field	(49553) PALMILLO, BONE SPRING, EAST
Wells In Facility	API #
Gobbler 5-6 B3IL State Com #2H	30-015-46726
Gobbler 5-6 B3PM State Com #2H	30-015-46725
Gobbler 5-6 B3AD State Com #2H	30-015-47883
Gobbler 5-6 B3HE State Com #2H	30-015-47882



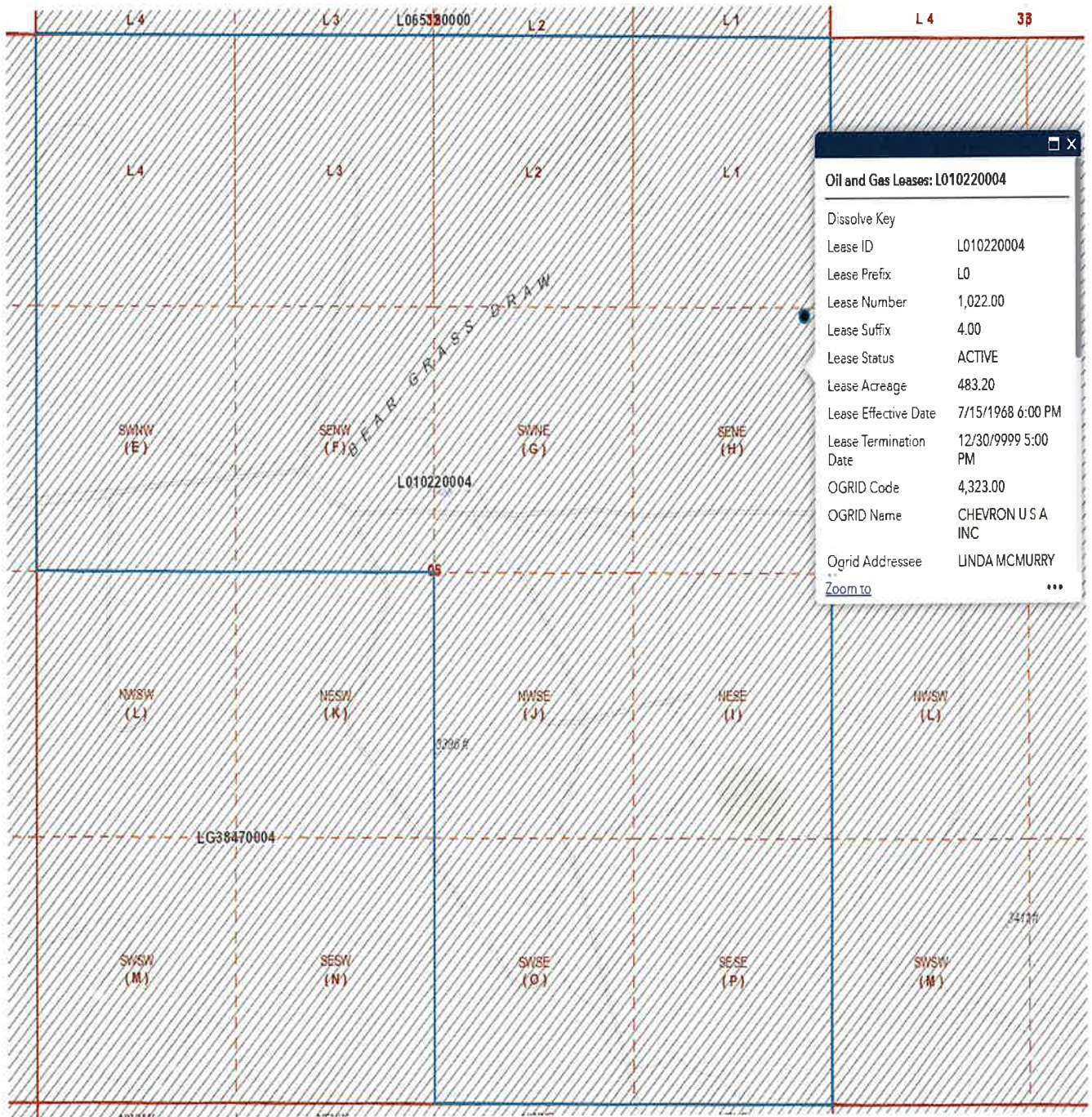
Google Earth Map



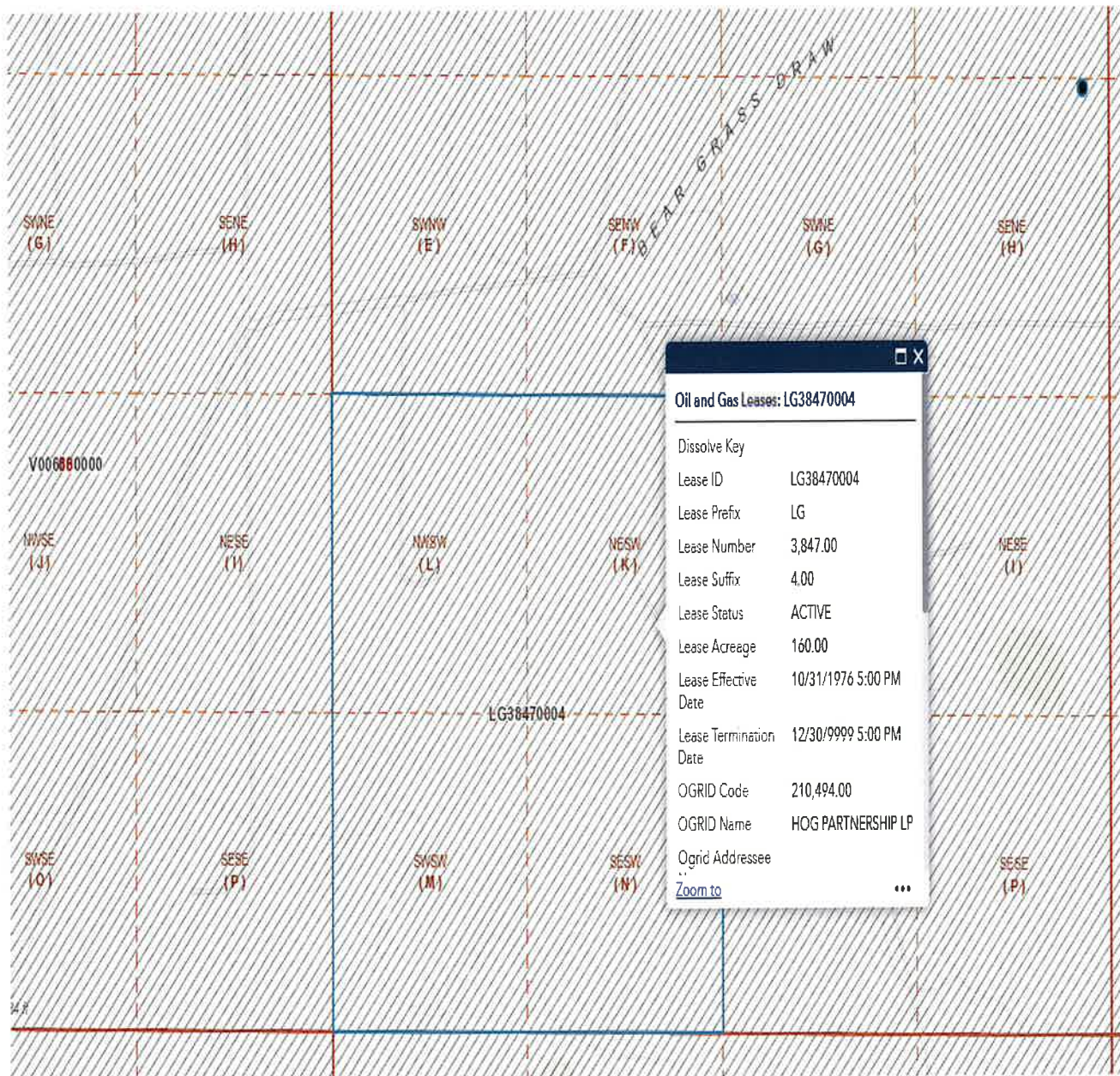
Lease Boundary Map:



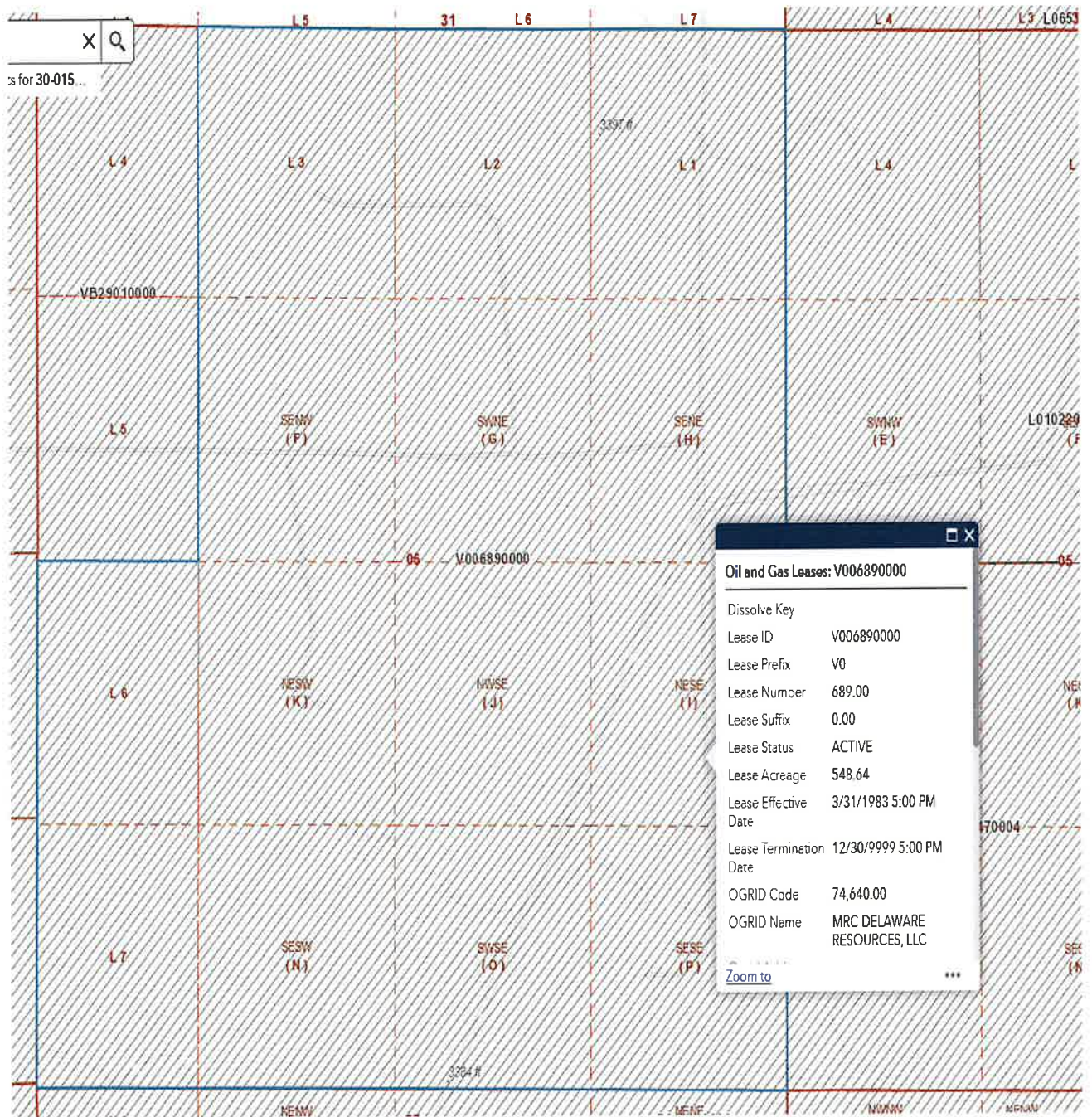
State Lease L010220004



State Lease LG38470004



State Lease V006890000



This figure is a map showing oil and gas leases for the area identified by the lease ID VB29010000. The map is overlaid with a grid of sections, each labeled with a section number (e.g., L1, L2, L3, L4, L5, L6, L7, L8, L9, L10, L11, L12, L13, L14, L15, L16, L17, L18, L19, L20, L21, L22, L23, L24, L25, L26, L27, L28, L29, L30, L31, L32, L33, L34, L35, L36, L37, L38, L39, L40, L41, L42, L43, L44, L45, L46, L47, L48, L49, L50, L51, L52, L53, L54, L55, L56, L57, L58, L59, L60, L61, L62, L63, L64, L65, L66, L67, L68, L69, L70, L71, L72, L73, L74, L75, L76, L77, L78, L79, L80, L81, L82, L83, L84, L85, L86, L87, L88, L89, L90, L91, L92, L93, L94, L95, L96, L97, L98, L99, L100). The map shows the location of the lease, which is a 66.71-acre tract. The lease is active and was effective on 1/31/2017 at 5:00 PM. The lease termination date is 12/30/9999 at 5:00 PM. The OGRID code is 74,640.00 and the OGRID name is MRC DELAWARE RESOURCES, LLC. The map also shows the location of the lease relative to the surrounding sections and the lease boundary. The map is titled "Oil and Gas Leases: VB29010000".

Field	Value
Lease ID	VB29010000
Lease Prefix	VB
Lease Number	2,901.00
Lease Suffix	0.00
Lease Status	ACTIVE
Lease Acreage	66.71
Lease Effective Date	1/31/2017 5:00 PM
Lease Termination Date	12/30/9999 5:00 PM
OGRID Code	74,640.00
OGRID Name	MRC DELAWARE RESOURCES, LLC

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -



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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**
- [4] **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.

Chad Cole

Print or Type Name

Signature

Regulatory Specialist

Title

3/10/2022

Date

ccole@mewbourne.com
e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 4801 Business Park BLVD PO Box 5270 Hobbs NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Chad Cole

TITLE: Regulatory Specialist

DATE: 3/10/2022

TYPE OR PRINT NAME Chad Cole

TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: ccole@mewbourne.com

Well Name	Location	API #	Pool #	State Leases	MCFPD	Dry BTU @ 14.73 PSI
Gobbler 5/6 B3AD State Com 2H	1380' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47883	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3HE State Com 2H	1410' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47882	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3IL State Com 2H	1310' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46726	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250
Gobbler 5/6 B3PM State Com 2H	1280' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46725	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250

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State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-107-B

Revised August 1, 2011

OIL CONSERVATION DIVISION1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)OPERATOR NAME: Mewbourne Oil CompanyOPERATOR ADDRESS: 4801 Business Park BLVD PO Box 5270 Hobbs NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: ☐ Fee ☒ State ☐ FederalIs this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
 Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No
(A) POOL COMMINGLING**Please attach sheets with the following information**

(1) Pool Names and Codes	Gravities / BTU of Non-Commingle Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING**Please attach sheets with the following information**

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING**Please attach sheets with the following information**

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT**Please attached sheets with the following information**

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)**Please attach sheets with the following information**

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Chad Cole TITLE: Regulatory Specialist DATE: 3/10/2022

TYPE OR PRINT NAME: Chad Cole TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: ccole@mewbourne.com

Well Name	Location	API #	Pool #	State Leases	MCFPD	Dry BTU @ 14.73 PSI
Gobbler 5/6 B3AD State Com 2H	1380' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47883	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3HE State Com 2H	1410' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47882	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3IL State Com 2H	1310' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46726	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250
Gobbler 5/6 B3PM State Com 2H	1280' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46725	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250

APPLICATION FOR LEASE COMMINGLING, CENTRAL TANK BATTERY (CTB)

Commingling procedure for Gobbler 5/6 leases:

Mewbourne Oil Company is requesting approval for lease commingling oil production from 4 wells located on State leases below in a Central Tank Battery "CTB":

Well Name	Location	API #	Pool #	State Leases	MCFPD	Dry BTU @ 14.73 PSI
Gobbler 5/6 B3AD State Com 2H	1380' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47883	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3HE State Com 2H	1410' FNL & 205' FEL, Sec 5, T19S, R29E	30-015-47882	[49553] Palmillo; Bone Spring, East	160 Acres L010220004 120 Acres V006890000 40 Acres VB29010000	~3000	~1250
Gobbler 5/6 B3IL State Com 2H	1310' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46726	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250
Gobbler 5/6 B3PM State Com 2H	1280' FSL & 250' FEL, Sec 5, T19S, R29E	30-015-46725	[49553] Palmillo; Bone Spring, East	80 Acres L010220004 80 Acres LG38470004 160 Acres V006890000	~3000	~1250

Oil, Water, & Gas Metering

The central tank battery in the NESE of Section 5, T19S, R29E, Eddy County, New Mexico. The production for all four wells will come to its own separator. From the separator production will be allocated as follows:

Oil Metering:

Oil volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Oil from each separator will be metered and then sent to a heater treater (HT). Oil from the HT will then flow to a vapor recovery tower (VRT) and then to the 750 BBL oil tanks (OT). Oil production will be allocated on a daily basis based on the oil allocation meter downstream of the separator. This meter will be proven based on API, NMOCD and BLM specifications by tank testing. This process is performed by isolating a well to specific oil tanks and calibrating the meter based on the production numbers. The oil production from these wells listed above will be measured, commingled and then sold via truck haul or LACT.

Gas Metering:

Gas volumes will be measured by using an allocation gas meter after the separator at the facility for each well. The gas production from the wells listed above will be measured, commingled, and then sold on lease using the 24 hr. well test method. An Enterprise gas sales meter (MM #68888-01) will be located in the NWSE of Section 5, T19S, R29E, Eddy County, New Mexico (32.6868112, -104.0932086). This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Water Metering:

Water volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Water from each separator will be metered and sent to the 1000 BBL gun barrel (GB). From the GB the water will be sent to the 750 BBL water tanks (WT). Water production will be allocated on a daily basis based on the water allocation meter downstream of the separator. The water production from these wells listed above will be measured, commingled and disposed of via truck haul or pipelined to disposal.

Economic Justification

Well Name	BOPD EST	Oil Gravity @ 60°	Value/bbl	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Gobbler 5/6 B3AD State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3HE State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3IL State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
Gobbler 5/6 B3PM State Com 2H	1500	48	\$110	~3000	~1250	\$4.50
CTB Combined	6,000	48	\$110	~12,000	1250	\$4.50

Process and Flow Descriptions:

The flow of production is shown in detail on the enclosed facility diagram and map which shows lease boundaries, wells, and battery location. The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Working, royalty, & overriding interest owners have been notified of the proposal via certified mail (see attached).

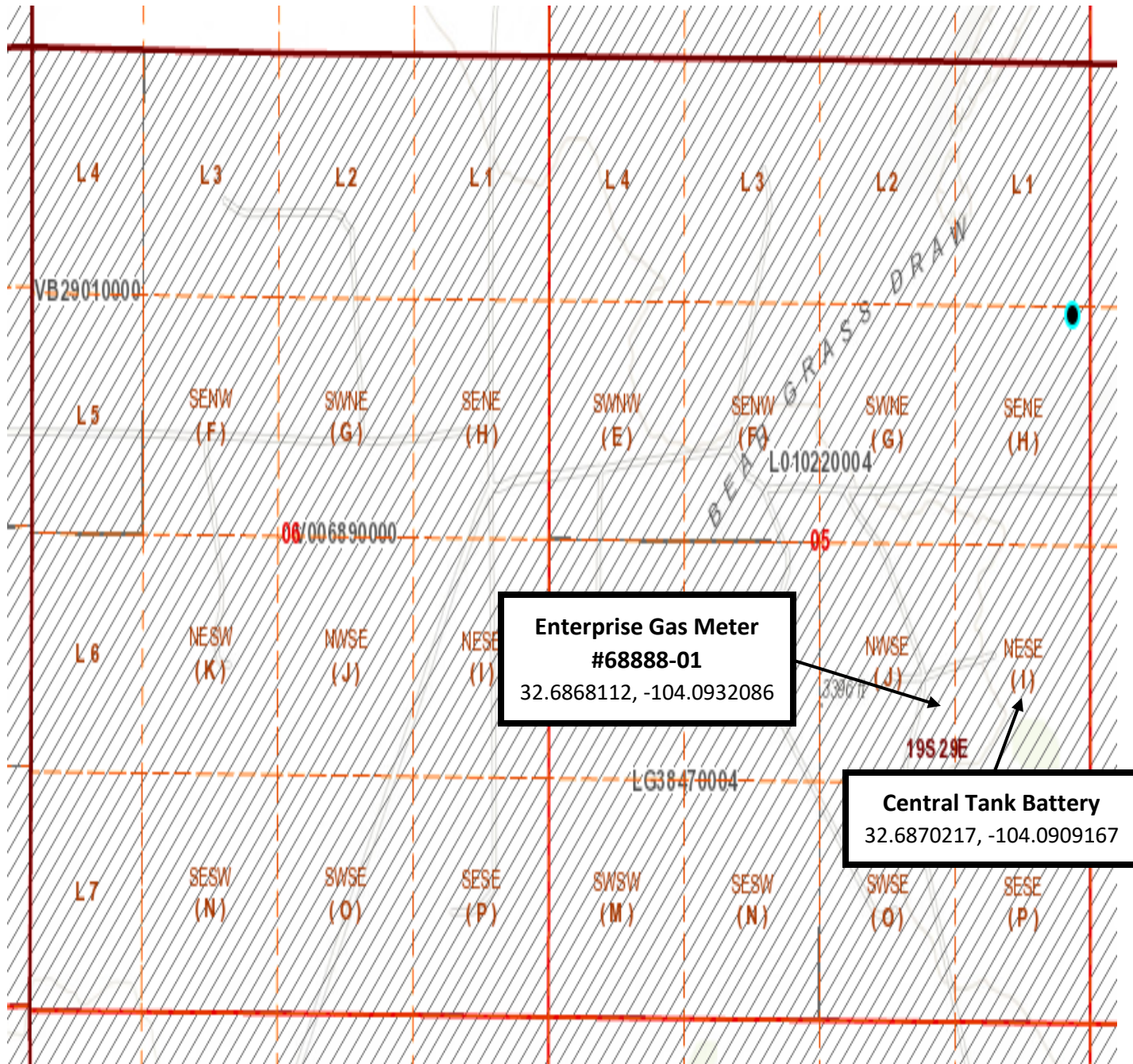
Signed: Chad Cole

Printed Name: Chad Cole

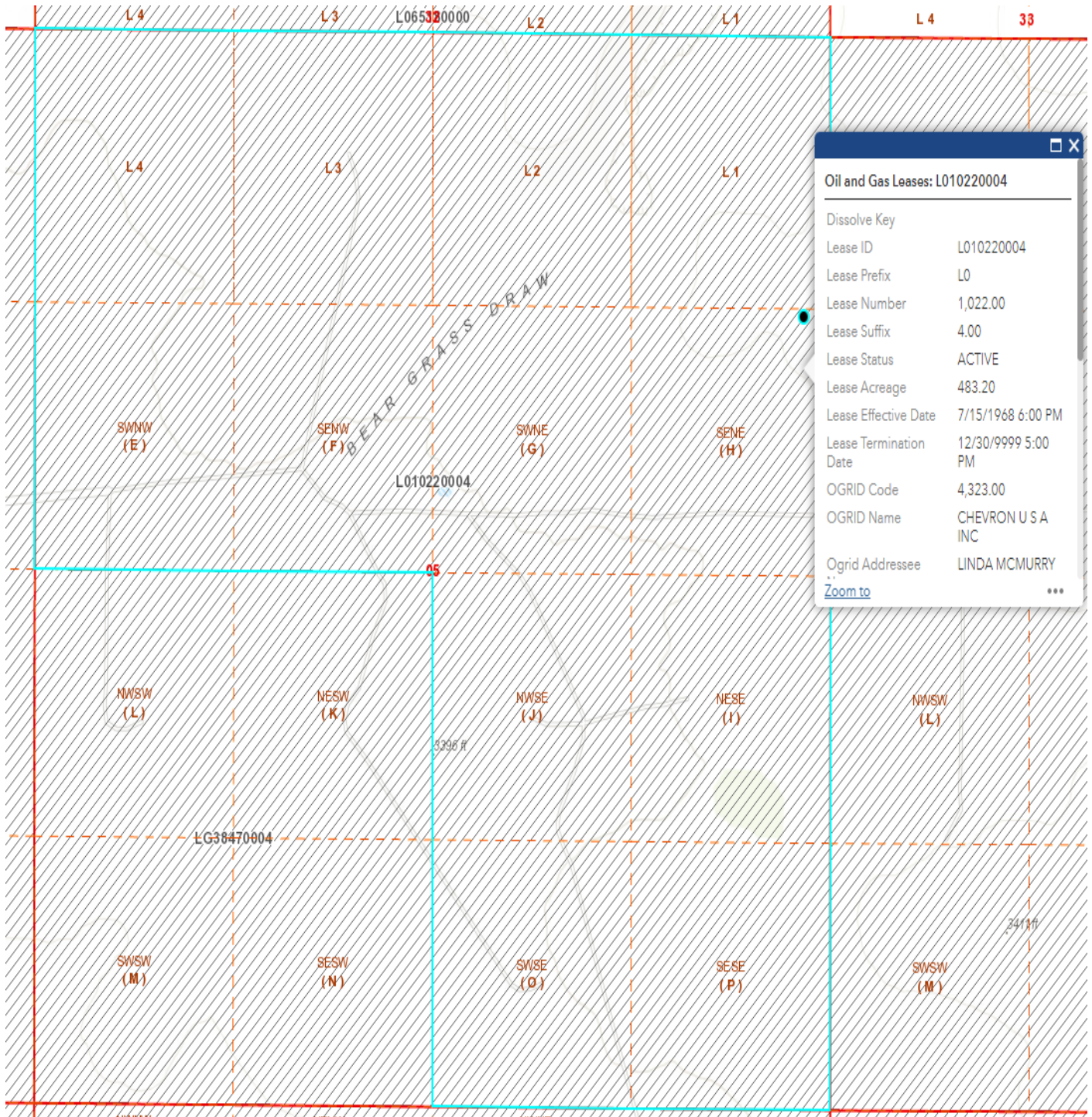
Title: Regulatory Specialist

Date: 3/10/2022

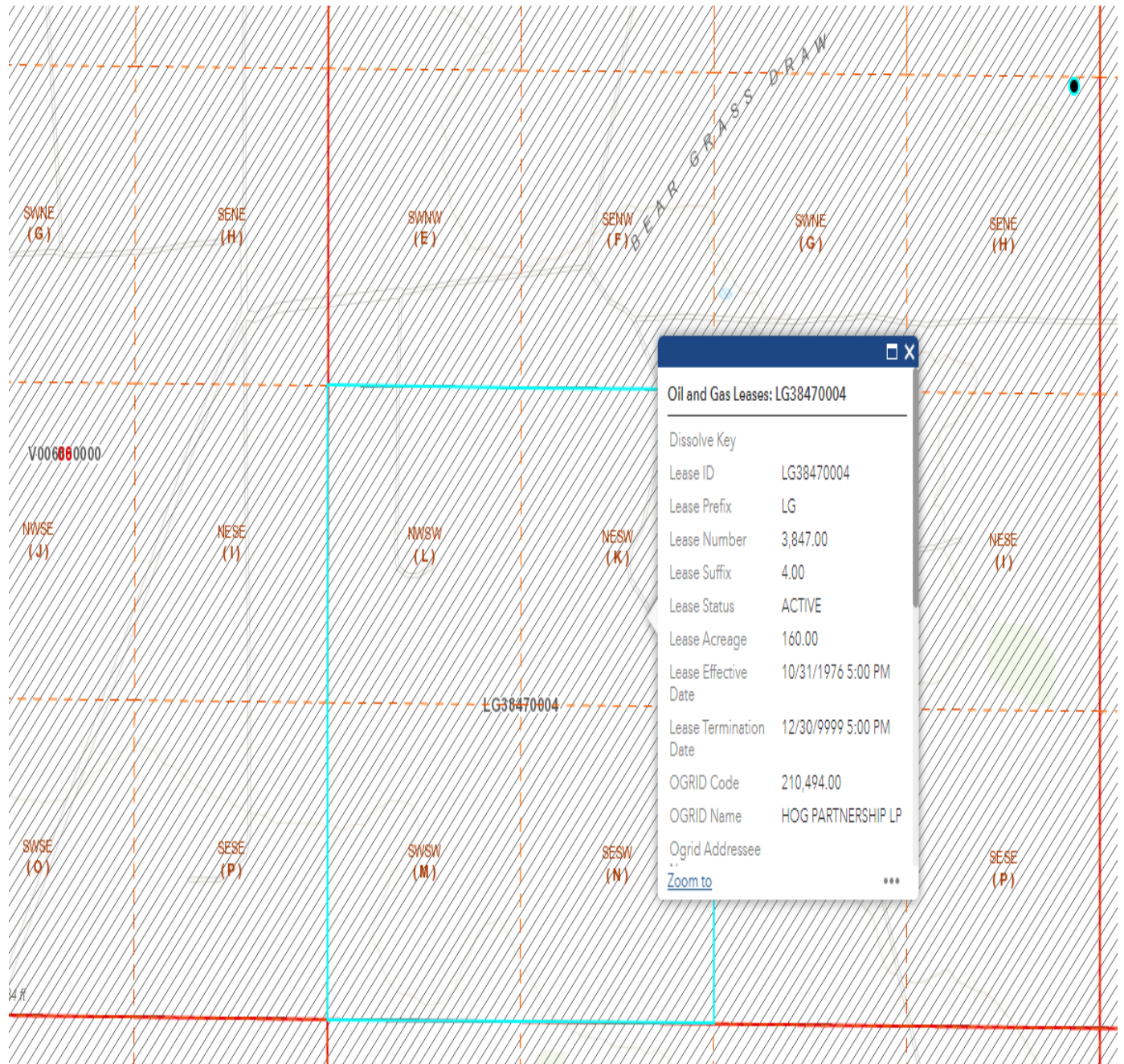
Lease Boundary Map:



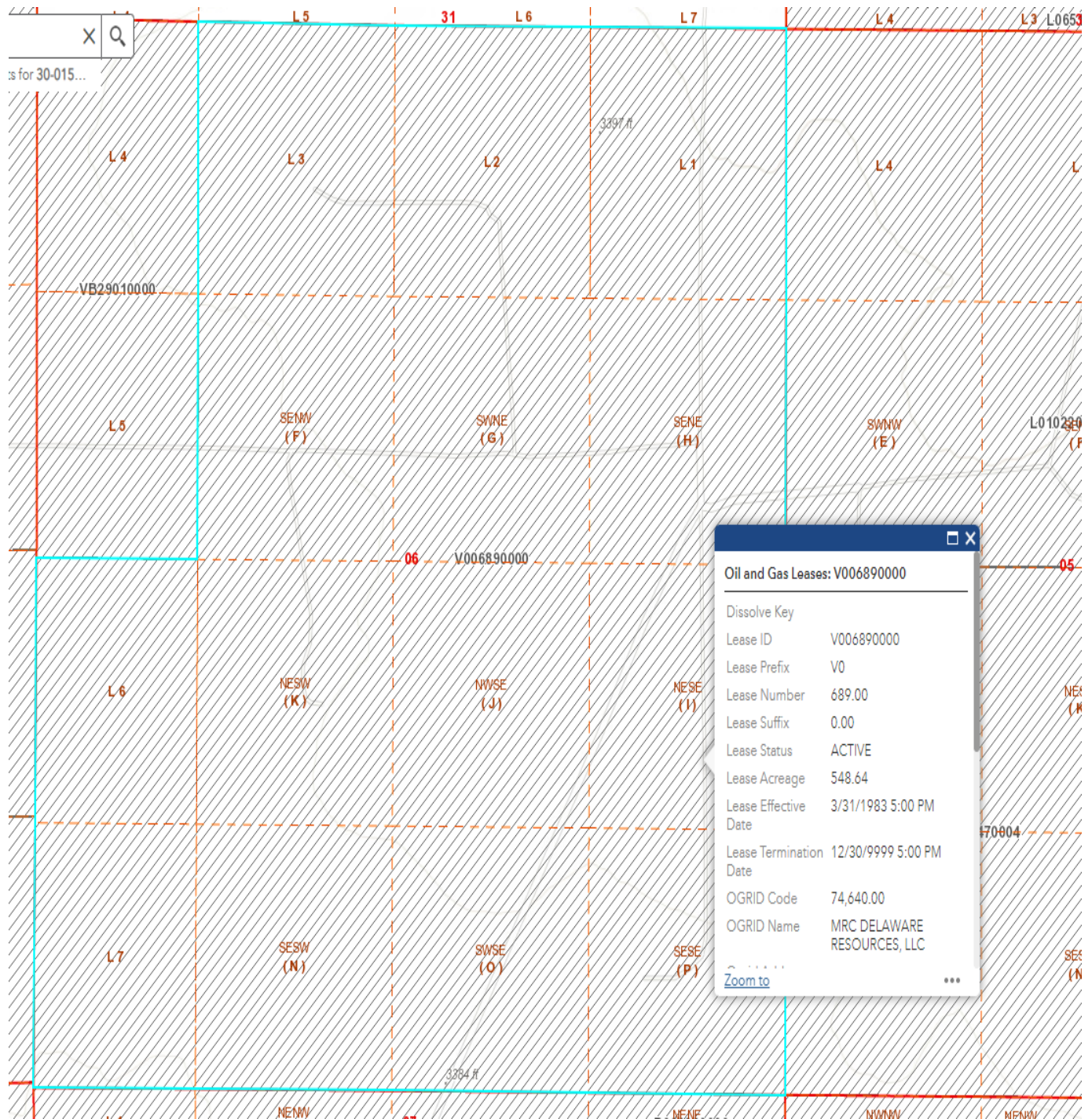
State Lease L010220004



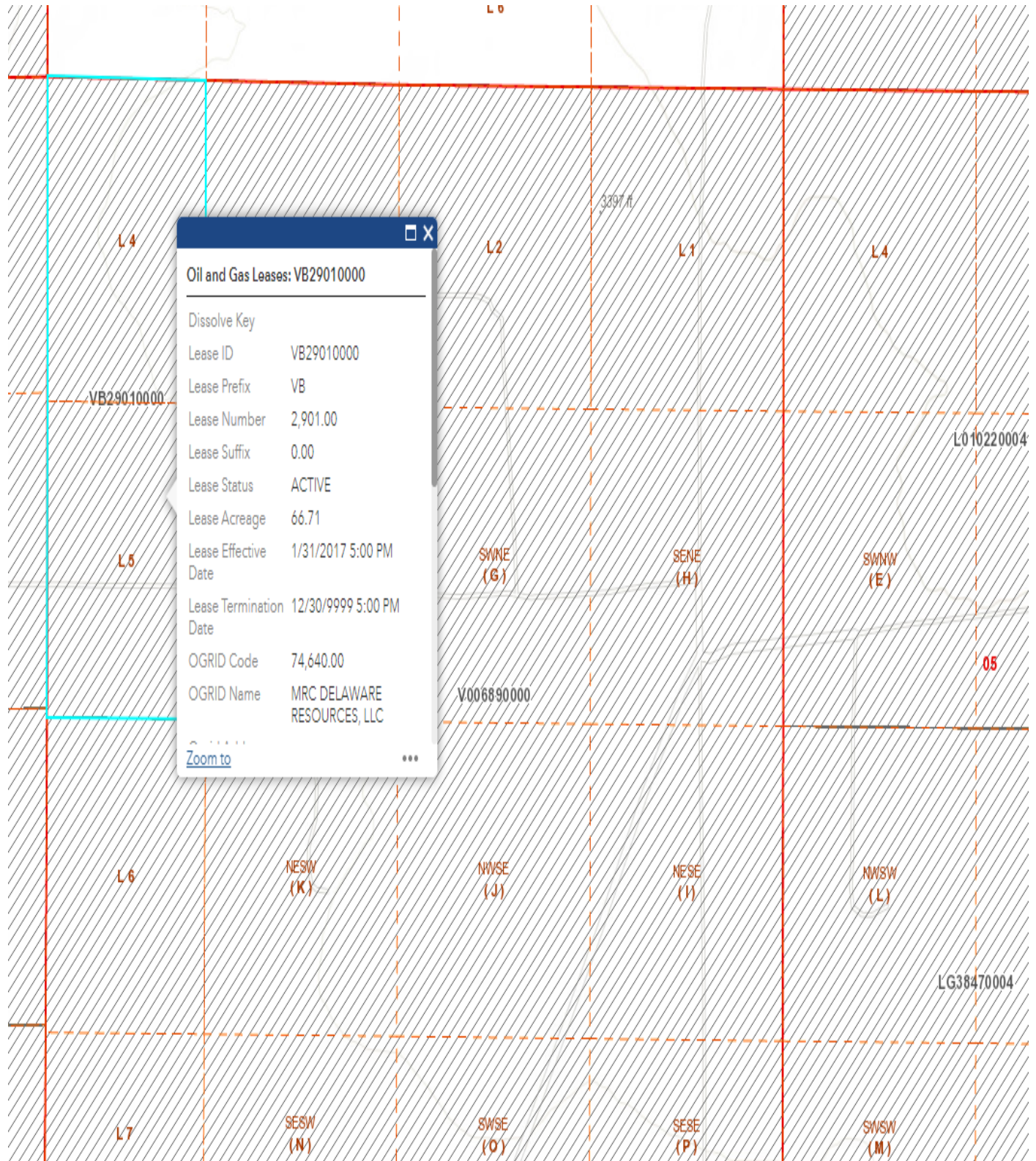
State Lease LG38470004

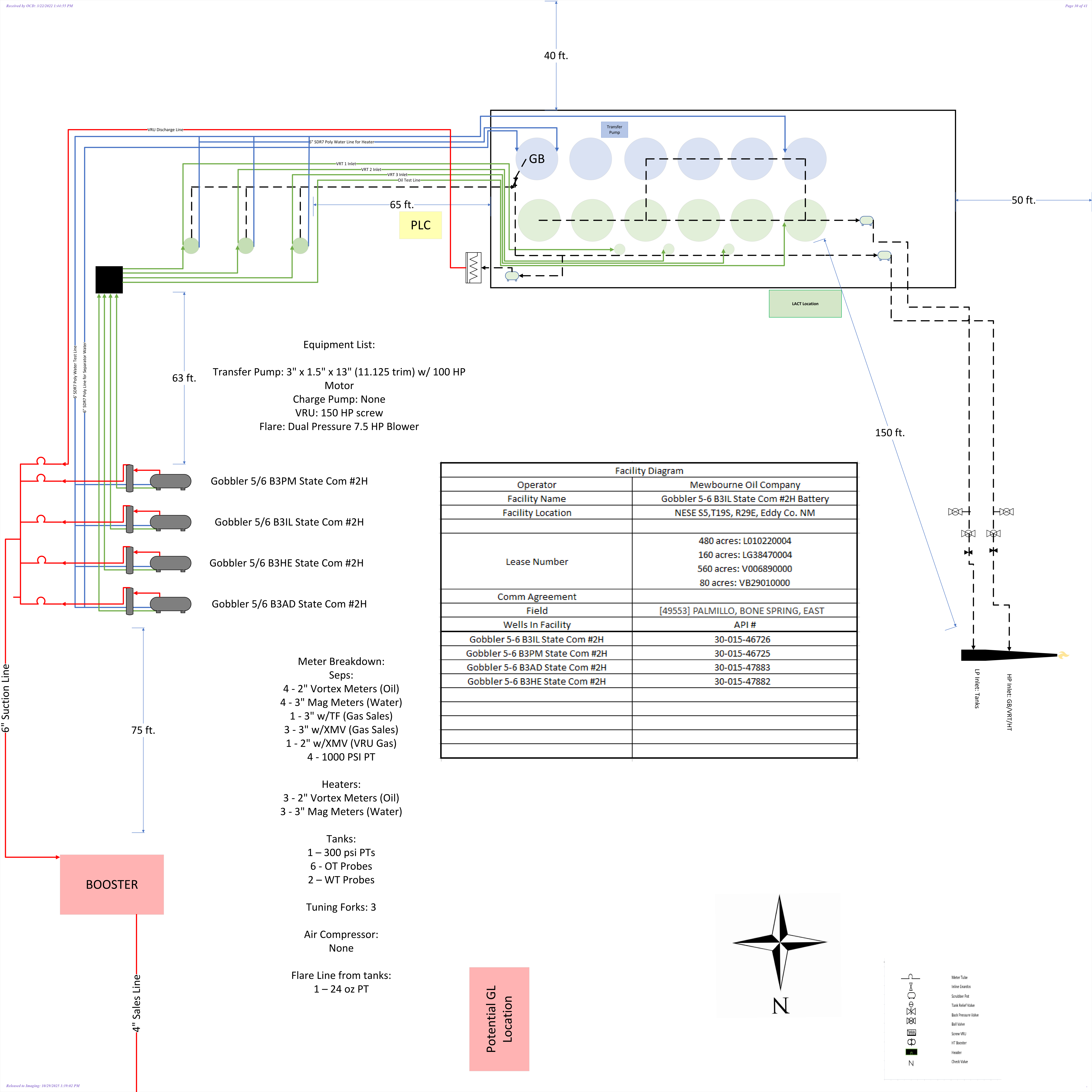


State Lease V006890000



State Lease VB29010000





OWNER NAME	ADDRESS	CITY	STATE	ZIP	CERTIFIED NUMBER
ALPHA ENERGY PARTNERS LLC	P.O. Box 10701	Midland	Texas	79702	9414 8368 9784 6109 7590 44
BIG THREE ENERGY GROUP LLC	P.O. Box 429	Roswell	New Mexico	88202	9414 8368 9784 6109 7720 43
CIESZINSKI TRUST	2737 81st Street	Lubbock	Texas	79423-2229	9414 8368 9784 6109 7807 89
JALAPENO CORPORATION	P.O. Box 1608	Albuquerque	New Mexico	87103	9414 8368 9784 6109 7877 64
KELLIE HALABRIN	4206 Shadow Elm Woods	San Antonio	Texas	78249	9414 8368 9784 6109 7951 58
KRIS H YOUELL	103 Lariat Drive	Boerne	Texas	78006	9414 8368 9784 6109 8019 41
MAVERICK OIL & GAS CORPORATION	1001 W. Wall Street	Midland	Texas	79701	9414 8368 9784 6109 8105 30
MRC DELAWARE RESOURCES LLC	5400 LBJ Freeway, Suite 1500	Dallas	Texas	75240	9414 8368 9784 6109 8188 64
MRC EXPLORERS RESOURCES LLC	5400 LBJ Freeway, Suite 1500	Dallas	Texas	75240	9414 8368 9784 6109 8250 08
MRC SPIRAL RESOURCES LLC	5400 LBJ Freeway, Suite 1500	Dallas	Texas	75240	9414 8368 9784 6109 8341 47
NADEL AND GUSSMAN CAPITAN, LLC	15 East 5th Street, Suite 3300	Tulsa	Oklahoma	74103-4340	9414 8368 9784 6109 8400 70
NEW MEXICO STATE LAND OFFICE	P.O. Box 1148	Santa Fe	New Mexico	87504-1148	9414 8368 9784 6109 8471 54
OXY USA WTP LP	5 Greenway Plaza, Suite 110	Houston	Texas	77046-0521	9414 8368 9784 6109 8595 46
ROGER HARDEE	13402 Misty Orchard Lane	Sugar Land	Texas	77478	9414 8368 9784 6109 8673 29
TIMOTHY R MACDONALD	3003 Paleo Point	College Station	Texas	77845	9414 8368 9784 6109 8727 74
TXLA OIL AND GAS, LLC	6207 Lavendale Avenue	Dallas	Texas	75230	9414 8368 9784 6109 8781 72
YATES ENERGY COMPANY	P.O. Box 2323	Roswell	Texas	88202	9414 8368 9784 6109 8849 37
ENGINEERING BUREAU - NMOCD	1220 S. St. Francis Drive	Santa Fe	New Mexico	87505	9414 8368 9784 6109 8932 36
BUREAU OF LAND MANANGMENT	620 E. Green Street	Carlsbad	New Mexico	88220-6292	9414 8368 9784 6109 9046 04

District I
1625 N. French Dr., Hobbs, NM 88240
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District III
1000 Rio Brazos Road, Aztec, NM 87410
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name GOBBLER 5/6 B3AD STATE COM						6 Well Number 2H	
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY						9 Elevation 3410'	
10 Surface Location									
UL or lot no. H	Section 5	Township 19S	Range 29E	Lot Idn	Feet from the 1380	North/South line NORTH	Feet From the 205	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. 4	Section 6	Township 19S	Range 29E	Lot Idn	Feet from the 650	North/South line NORTH	Feet from the 100	East/West line WEST	County EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N: 612199.2 - E: 606365.7 B: FOUND BRASS CAP "1941" N: 614643.8 - E: 606380.4 C: FOUND BRASS CAP "1914" N: 617517.3 - E: 606378.0 D: FOUND 1/2" REBAR N: 617485.1 - E: 608788.6 E: CALCULATED CORNER N: 617471.0 - E: 611427.2 F: CALCULATED CORNER N: 617427.6 - E: 616705.7		G: FOUND LIMESTONE ROCK 10"x10"x9" N: 614773.1 - E: 616714.5 H: FOUND LIMESTONE ROCK 11"x8"x3" N: 612132.9 - E: 616710.3 I: FOUND LIMESTONE ROCK 13"x4.5"x2.5" N: 612145.3 - E: 614068.0 J: FOUND 1/2" REBAR N: 612158.4 - E: 611430.7 K: FOUND 1/2" REBAR N: 612174.7 - E: 608793.3 L: FOUND LIMESTONE ROCK 12"x10"x4" N: 614801.1 - E: 611424.6		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
18 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor ROBERT M. HOWETT NEW MEXICO 19680 PROFESSIONAL SURVEYOR 19680 Certificate Number BH MOVE - 12/15/2020		Job No: LS20030164R1			

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name GOBBLER 5/6 B3HE STATE COM						6 Well Number 2H	
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY						9 Elevation 3410'	
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
H	5	19S	29E		1410	NORTH	205	EAST	EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	6	19S	29E		2000	NORTH	100	WEST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

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18 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor _____ 19680 Certificate Number BH MOVE - 12/15/2020		19680 Certificate Number BH MOVE - 12/15/2020			

Job No: LS20030165R1

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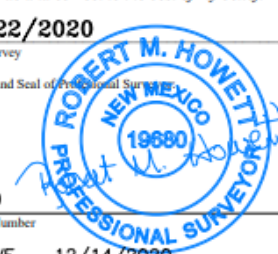
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name GOBBLER 5/6 B3IL STATE COM						6 Well Number 2H	
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY						9 Elevation 3401'	
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
P	5	19S	29E		1310	SOUTH	250	EAST	EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
6	6	19S	29E		1850	SOUTH	100	WEST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N: 612199.2 - E: 606365.7 B: FOUND BRASS CAP "1941" N: 614843.8 - E: 606380.4 C: FOUND BRASS CAP "1914" N: 617517.3 - E: 606378.0 D: FOUND 1/2" REBAR N: 617485.1 - E: 608788.6 E: CALCULATED CORNER N: 617471.0 - E: 611427.2 F: CALCULATED CORNER N: 617427.6 - E: 616705.7				G: FOUND LIMESTONE ROCK 10"x10"x9" N: 614773.1 - E: 616714.5 H: FOUND LIMESTONE ROCK 11"x8"x3" N: 612132.9 - E: 616710.3 I: FOUND LIMESTONE ROCK 13"x4.5"x2.5" N: 612145.3 - E: 614068.0 J: FOUND 1/2" REBAR N: 612158.4 - E: 611430.7 K: FOUND 1/2" REBAR N: 612174.7 - E: 608793.3 L: FOUND LIMESTONE ROCK 12"x10"x4" N: 614801.1 - E: 611424.6				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____	
18 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor:  19680 Certificate Number BH MOVE - 12/14/2020				Job No: LS20010045					

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name GOBBLER 5/6 B3PM STATE COM						6 Well Number 2H	
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY						9 Elevation 3401'	
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
P	5	19S	29E		1280	SOUTH	250	EAST	EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	6	19S	29E		450	SOUTH	100	WEST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

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18 SURVEYOR CERTIFICATION 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. 01/22/2020 Date of Survey Signature and Seal of Professional Surveyor _____ 19680 Certificate Number BH MOVE - 12/14/2020				Job No: LS20010046					

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -



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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **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.

Chad Cole

Print or Type Name

Chad Cole
 Signature

Regulatory Specialist

Title

3/10/2022

Date

ccole@mewbourne.com
 e-mail Address

**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.

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).

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

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT C. S. CHANG
DIRECTOR**

DATE: 10/24/2025

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 Bone Spring NMSLO PUN 1395502	N/2 N/2	5-19S-29E
	N/2 N/2	6-19S-29E
CA Bone Spring NMSLO PUN 1395392	S/2 N/2	5-19S-29E
	S/2 N/2	6-19S-29E
CA Bone Spring NMSLO PUN 1390656	N/2 S/2	5-19S-29E
	N/2 S/2	6-19S-29E
CA Bone Spring NMSLO PUN 1390336	S/2 S/2	5-19S-29E
	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 #2H	N/2 N/2	5-19S-29E	49553
		N/2 N/2	6-19S-29E	
30-015-47882	Gobbler 5 6 B3HE State Com #2H	S/2 N/2	5-19S-29E	49553
		S/2 N/2	6-19S-29E	
30-015-46726	Gobbler 5 6 B3IL 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	S/2 S/2	5-19S-29E	49553
		S/2 S/2	6-19S-29E	

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 92089

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 92089
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

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