

DATE IN 5/16/16	SUSPENSE —	ENGINEER LRL	LOGGED IN 5/16/16	TYPE NSL	PLEL APP NO. 1613763222
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ABOVE THIS LINE FOR DIVISION USE ONLY

Rec: 05/16/16

NEW MEXICO OIL CONSERVATION DIVISION  
- 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

### 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]**

NSL-7425

- [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.

<u>Corey Mitchell</u> Print or Type Name	<u>Corey Mitchell</u> Signature	<u>Landman</u> Title	<u>5-4-2016</u> Date
		<u>cmitchell@Mewbourne.com</u> e-mail Address	

**MEWBOURNE OIL COMPANY**

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

RECEIVED OCD

2016 MAY 16 P 2: 29

May 13, 2016

*Via Certified Mail*

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Mr. David Catanach  
Division Director

Re: Application for Unorthodox Well Location  
Commodore 30 W2PA Federal No. 1H  
API No. 3001543296  
Surface Location: 175' FNL & 606' FEL (Unit A – Section 31, T24S, R27E)  
First Take Point: 330' FSL & 577' FEL (Unit P – Section 30, T24S, R27E)  
Last Take Point: 330' FNL & 330' FEL (Unit A – Section 30, T24S, R27E)  
Bottomhole Location: 330' FNL & 330' FEL (Unit A – Section 30, T24S, R27E)  
Section 30, T-24-S, R-27-E, NMPM  
Eddy County, New Mexico

Dear Mr. Catanach:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company (“Mewbourne”) respectfully requests administrative approval of an unorthodox gas well location for its proposed Commodore 30 W2PA Federal No. 1H. This well will be drilled as a horizontal gas well in the Sulphate Draw; Wolfcamp (Gas) Pool (85780).

The Commodore 30 W2PA Federal No. 1H will be dedicated to a standard 320-acre gas spacing and proration unit comprising the E/2 of Section 30. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

The Sulphate Draw; Wolfcamp (Gas) Pool is currently governed by Division Rule 19.19.15.10 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 660 feet to the outer boundary of the producing area.

The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the E/2 of Section 30.

The affected offset acreage comprises the E/2, SW/4 of Section 19, W/2, SE/4 of Section 20, all of Section 29, W/2 of Section 30, N/2, SE/4 of Section 31 and N/2, SW/4 of Section 32, all in Township 24 South, Range 27 East, NMPM (See Attached Map). The N/2 of Section 29 is currently being produced in the Wolfcamp formation and is operated by Devon Energy Production Company, L.P. There is currently no Wolfcamp production within the balance of the offset acreage. Consequently, notice of this application is being provided to Chevron U.S.A. Inc., Devon Energy Production Company, L.P. and Cimarex Energy Co.


Attached is a Form C-102 for the White City 30 24 27 Federal No. 1H, Change of Operator and sundry changing to the target zone from the Bone Spring formation to the Wolfcamp formation and respective pool, proration unit, bottom hole location and the well name from White City 30 24 27 Federal No. 1H to Commodore 30 W2PA Federal No. 1H. Also, attached is a map showing the affected offset acreage, a horizontal well plan, notice list and offset notice letter.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserved from the Sulphate Draw; Wolfcamp (Gas) Pool underlying the E/2 of Section 30 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Corey Mitchell  
Landman

Xc: OCD-Artesia

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
**District II**  
511 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9720  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-4170  
**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

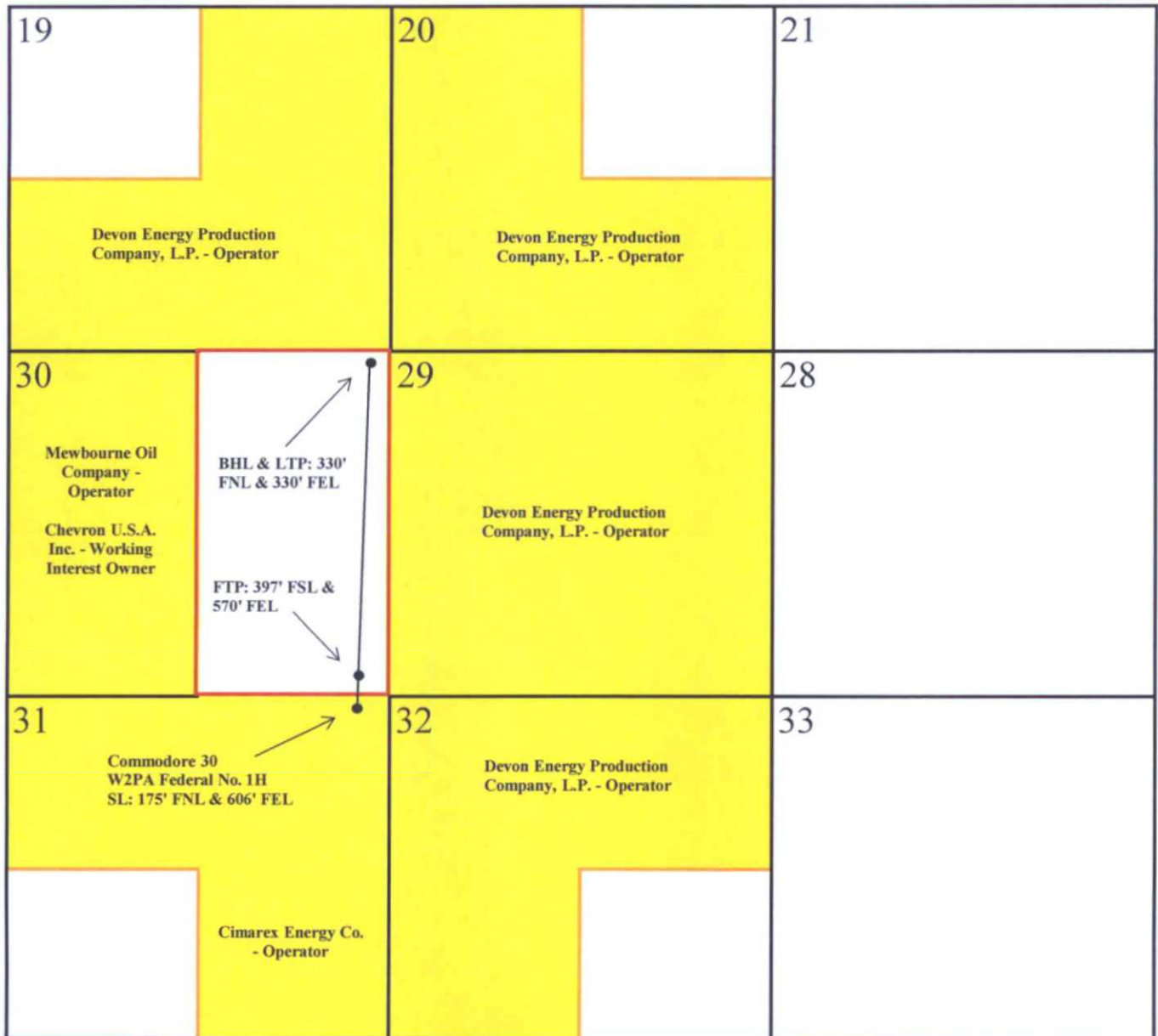
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 APL Number 30-015-43296		2 Pool Code 85780		Pool Name SULPHATE DRAW WOLFCAMP GAS	
3 Property Code		4 Property Name COMMODORE 30 W2PA FEDERAL			5 Well Number 1H
6 GRID No. 14744		7 Operator Name MEWBOURNE OIL COMPANY			8 Elevation 3418'
9 Surface Location					
UL or lot no. A	Section 31	Township 24 SOUTH	Range 27 EAST, N.M.P.M.	Lot (dn) 175'	Feet from the North/South line NORTH 606'
				East/West line EAST	County EDDY
10 Bottom Hole Location If Different From Surface					
UL or lot no. A	Section 30	Township 24 S	Range 27 E	Lot (dn) 330'	Feet from the North/South line NORTH 330'
				East/West line EAST	County EDDY
11 Dedicated Acres 320		12 Joint or Infill		13 Consolidation Code	
14 Order No.					

No allowance will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

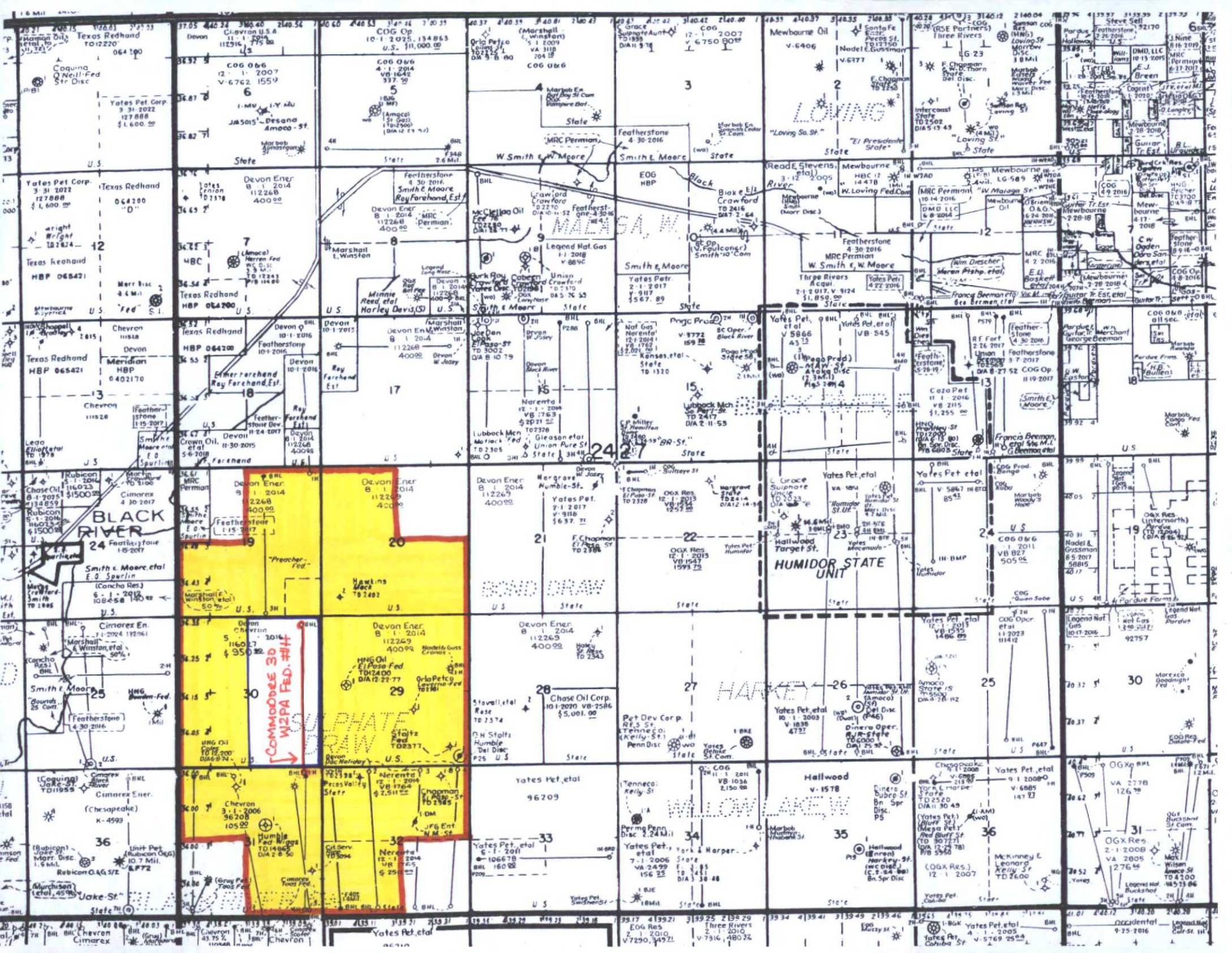
<p><b>PROMISED BOTTOM HOLE LOCATION (SECTION 31)</b></p> <p>X= 534,185 NAD 27 Y= 434,578 LAT. 32.194718 LONG. 104.222824</p> <p>X= 575,368 NAD 83 Y= 434,634 LAT. 32.194838 LONG. 104.223322</p>		<p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - Y=434,826.21, X=533,542.80 B - Y=434,825.89, X=534,845.81 C - Y=429,513.68, X=533,934.21 D - Y=428,523.14, X=534,828.73 E - Y=428,198.70, X=533,831.35 F - Y=428,207.34, X=534,828.25</p>		<p><b>WHITE CITY 30 74 27 FED RI WELL (SECTION 31)</b></p> <p>X= 534,222 NAD 27 Y= 429,344 LAT. 32.180334 LONG. 104.222720</p> <p>X= 575,105 NAD 83 Y= 429,401 LAT. 32.180454 LONG. 104.222818</p> <p>ELEVATION = 3116' TAND 63</p>		<p><b>17 OPERATOR CERTIFICATION</b></p> <p>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 undivided 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.</p> <p><i>Bradley Bishop</i> Signature Date 5.4-16 Bradley Bishop Printed Name Email Address</p>	
<p><b>18</b></p> <p>Project Area</p> <p>Producing Area</p> <p>330' FSL - 330' FEL</p> <p>Last Take Point - BHL</p> <p>First Take Point - 330' FSL 8577' FEL</p> <p>WELL PATH</p> <p>SECTION 31</p>		<p><b>19 SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>7.9.14 Date of Survey Signature and Seal of Professional Surveyor Certificate Number #15078</p> <p><b>WMA J. DANIEL III</b> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15078</p>					

24S-27E



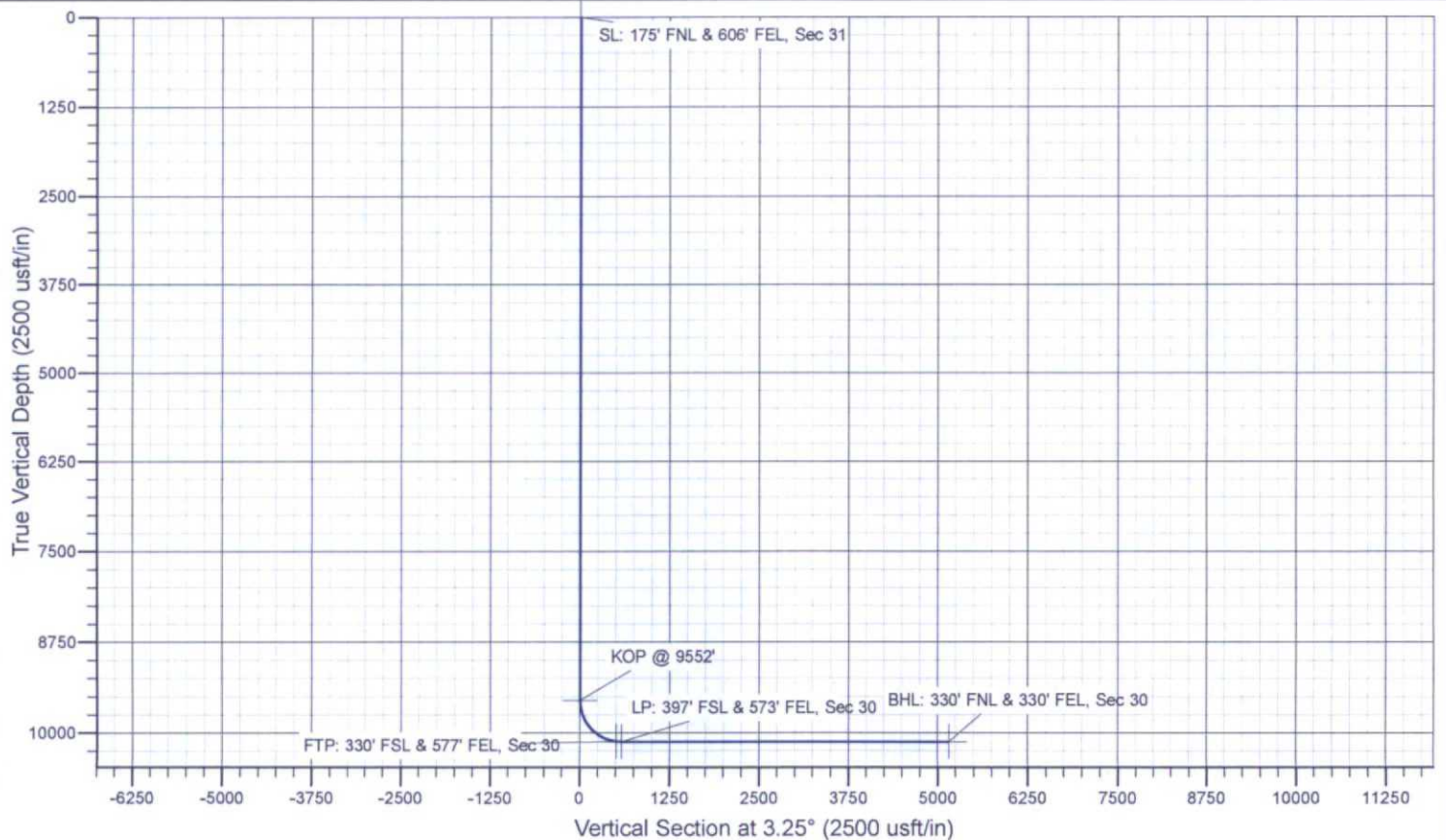
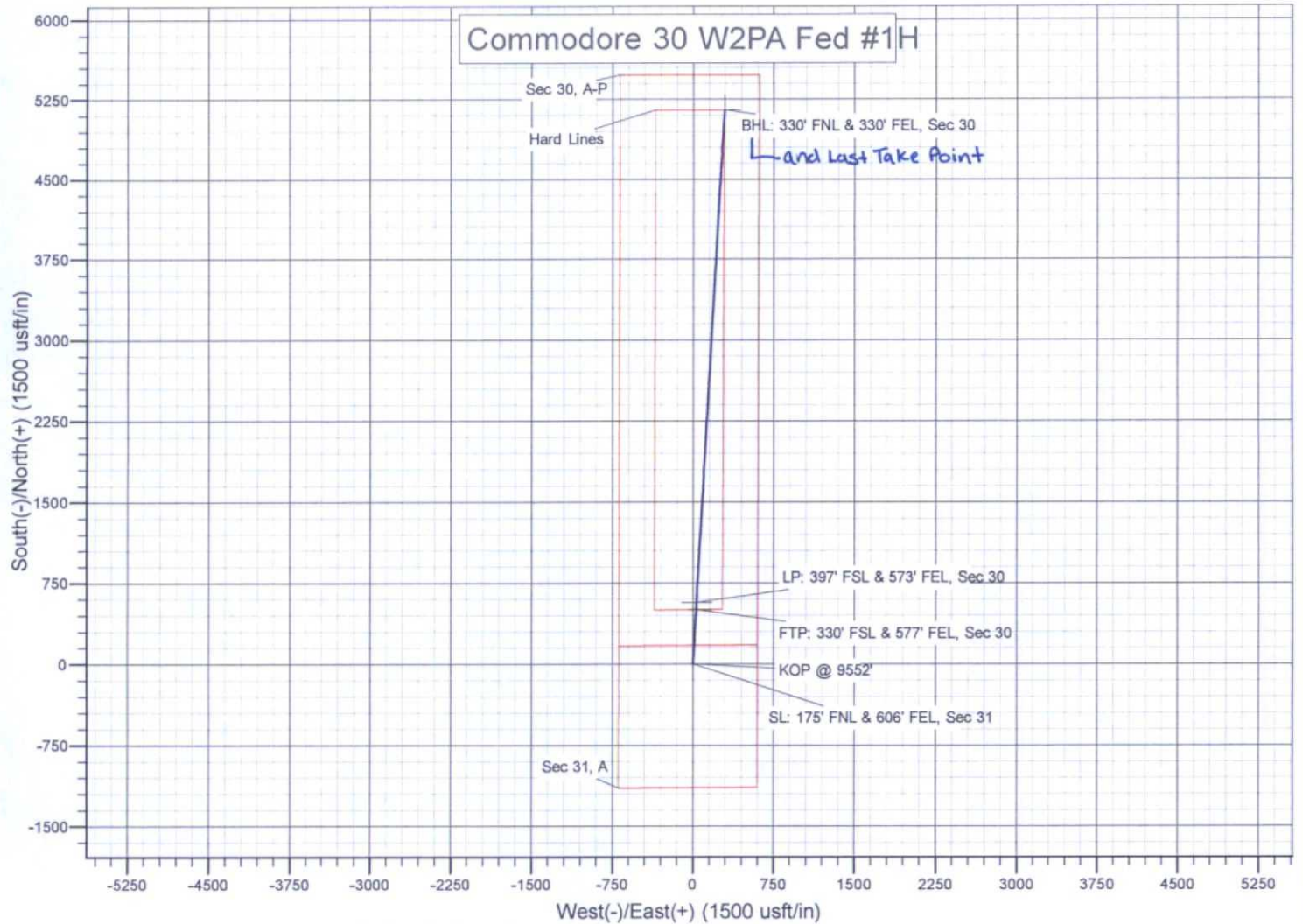
**Mewbourne Oil Company**  
**Application for Unorthodox Well Location**  
**Commodore 30 W2PA Federal No. 1H**  
**Affected Offset Acreage**







# Commodore 30 W2PA Fed #1H



## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

May 4, 2016

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Well Location  
Commodore 30 W2PA Federal No. 1H (API No. 3001543296)  
Surface Location: 175' FNL & 606' FEL (Unit A – Section 31, T24S, R27E)  
First Take Point: 330' FSL & 577' FEL (Unit P – Section 30, T24S, R27E)  
Bottomhole Location: 330' FNL & 330' FEL (Unit A – Section 30, T24S, R27E)  
Section 30, T-24-S, R-27-E, NMPM, Eddy County, New Mexico  
Sulphate Draw; Wolfcamp (Gas) Pool (85780)

Ladies and Gentlemen:

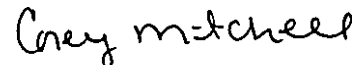
Enclosed please find a copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox gas well location for its proposed Commodore 30 W2PA Federal No. 1H located at the surface, first take point and bottomhole locations described above. The well will test the Sulphate Draw; Wolfcamp (Gas) Pool and will be dedicated to a standard 320-acre gas spacing and proration unit comprising the E/2 of Section 30, Township 24 South, Range 27 East, NMPM. The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the E/2 of Section 30.

As the owner of an interest that may be affected by the proposed unorthodox gas well location, you are being provided notice as per Division rules and regulations. *Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you.* If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

Should you have any questions regarding the above, please email me at [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Corey Mitchell  
Landman

Enclosure

Xc: OCD-Artesia



**Notice List**  
**Mewbourne Oil Company**  
**Application for Unorthodox Well Location**  
**Commodore 30 W2PA Federal No. 1H**  
**Section 30, T24S, R27E**  
**Eddy County, New Mexico**

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
Attn: Mr. James (J.J.) Laning

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Attn: Mr. Jeff Ramsdell

Cimarex Energy Co.  
600 N. Mariefeld, Ste. 600  
Midland, Texas 79701  
Attn: Mr. Hayden Tresner



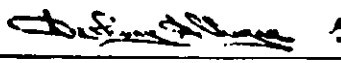
**UNITED STATES  
POSTAL SERVICE**

Date: May 12, 2016

Simple Certified:

The following is in response to your May 12, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015216723. The delivery record shows that this item was delivered on May 11, 2016 at 1:13 pm in HOUSTON, TX 77002. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
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Address of Recipient :

ery ss	
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. James (J.J.) Laning  
Chevron U.S.A. Inc.  
1400 Smith St  
Houston, TX 77002  
Reference #: MOC App for Unorthodox Well Location Commodore 30 W2PA 1H  
Item ID: MOC App for Unorthodox Well Location



Date: May 10, 2016

Simple Certified:

The following is in response to your May 10, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015224469. The delivery record shows that this item was delivered on May 9, 2016 at 8:18 am in OKLAHOMA CITY, OK 73102. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section  
Signature of Recipient: *[Handwritten Signature]*  
Address: *[Handwritten Address]*

Address of Recipient :

Address of Recipient: *[Handwritten Address]*  
333 W Sheridan

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Jeff Ramsdell  
Devon Energy Production Company LP  
333 W Sheridan Ave  
Oklahoma City, OK 73102  
Reference #: MOC App for Unorthodox Well Location Commodore 30 W2PA 1H CM  
Item ID: MOC App for Unorthodox Well Location CM



Date: May 10, 2016

Simple Certified:

The following is in response to your May 10, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015216433. The delivery record shows that this item was delivered on May 9, 2016 at 11:55 am in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Paul Kautz".

Address of Recipient :

A handwritten address in black ink, reading "811 S 1ST" on the first line and "ARTESIA NM" on the second line.

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. Paul Kautz  
New Mexico Oil Conservation Division  
811 S 1ST ST  
ARTESIA, NM 88210  
Reference #: MOC App for Unorthodox Well Location Commodore 30 W2PA 1H  
Item ID: MOC App for Unorthodox Well Location CM



Mewbourne Oil Company  
Corey Mitchell  
500 W Texas, STE 1020  
MIDLAND TX 79701-4279

Commodore 30 W2PA Fed  
No 1H

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New Mexico Oil Conservation Division  
Mr. David Catanach, Division Director  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225



## **Lowe, Leonard, EMNRD**

---

**From:** Lowe, Leonard, EMNRD  
**Sent:** Thursday, June 09, 2016 3:30 PM  
**To:** 'cmitchell@mewbourne.com'  
**Cc:** Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'rjsanche@blm.gov'; 'jstovall@blm.gov'  
**Subject:** NSL - 7425\_Commodore 30 W2PA Federal Well No. 1 H\_31 24S 27E; Eddy County  
**Importance:** High

Mr. Cory Mitchell,

The following permit has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

### **NSL - 7425**

Mewbourne Oil Company

API: 30-025-43296

Well: Commodore 30 W2PA Federal Well No. 1; Eddy County

### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>