

ID NO. 386141

NSP - 2228

Revised March 23, 2017

RECEIVED: 09/24/24	REVIEWER:	TYPE:	APP NO: pLEL2426857012
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Mewbourne Oil Company**OGRID Number:** 14744**Well Name:** PENNY 34/36 FED COM #521H**API:** 30-015-54426**Pool:** Cass Draw (Bone Spring)**Pool Code:** 10380

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☒ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application
Content
Complete

3) 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.

Brad Dunn

Print or Type Name

Signature

September 24, 2024

Date

432-682-3715

Phone Number

bdunn@mewbourne.com

e-mail Address

MEWBOURNE OIL COMPANY
500 WEST TEXAS AVENUE, SUITE 1020
MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

September 23, 2023

Via NMOCD Online Portal

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. Leonard Lowe
Engineering Bureau

Re: Application for Non-Standard Proration Unit
PENNY 34/36 FED COM #521H
Surface Location: 2627' FSL & 2239' FEL (Sec. 34)
Proposed first take point: 330' FNL & 2554' FEL (Unit B) (Sec. 34)
Bottomhole Location: 330' FNL & 2619' FWL (Sec. 36)
Proposed last take point: 330' FNL & 2619' FWL (Unit C) (Sec. 36)
Township 22 South, Range 26 East, Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.16.15(B)(5), Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of a non-standard proration unit for its proposed PENNY 34/36 FED COM #521H well listed above. These well will be drilled as a horizontal oil well in the Cass Draw (Bone Spring) pool (Code No. 10380). The PENNY 34/36 FED COM #521H well will be dedicated to a 1280.00-acre proration unit comprising the E2 of Section 34, All of Section 35, and the W2 of Section 36, Township 22 South, Range 26 East, Eddy County, New Mexico. There are currently no other existing Bone Spring wells producing from within the proposed spacing unit.

The affected offset acreage comprises all of Sections 25, 26, 27, the E2 of Section 28, the E2 of Section 33, the W2 of Section 34, and the E2 of Section 36 all located in T22S-R26E in addition to the E2 of Section 4, Section 1, Section 2, and Section 3 all located in T23S-R26E in addition to the W2 of Section 6 located in T23S-R27E and lastly in addition to the W2 of Section 31 and the W2 of Section 30 all located in T22S-R27E (See attached map). Consequently, notice of this application is being provided to all parties listed on the attached list of affected parties.

Mewbourne is seeking approval of this NSP to match up with a previous NSP for the exact same unit that covered the Wolfcamp Formation (Administrative Order NSP – 2174 approved 10/20/2023). Additionally, this NSP will eliminate the need for separate production facilities and additional administrative approvals while also providing us flexibility in locating our laterals and drilling infills in other horizons. These reasons will provide for reducing waste and our surface imprint while protecting correlative rights within the referenced horizontal spacing unit. This NSP will also possibly reduce emissions by consolidating the tank battery.

Notice by certified mail, return receipt requested, has been given to the affected parties listed in the notification list attached.

Thank you for your consideration of this application. Should you have any questions regarding the above, please email me at bdunn@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

A handwritten signature in blue ink, appearing to read 'Brad Dunn', is positioned above the printed name.

Brad Dunn
Landman

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code	Pool Name
Property Code	Property Name PENNY 34/36 FED COM	Well Number 521H
OGRID No.	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3269.5'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL G	Section 34	Township 22S	Range 26E	Lot	Ft. from N/S 2,627 NORTH	Ft. from E/W 2,239 EAST	Latitude (NAD 83) 32.348821°	Longitude (NAD 83) -104.279457°	County EDDY
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Bottom Hole Location

UL C	Section 36	Township 22S	Range 26E	Lot	Ft. from N/S 330 NORTH	Ft. from E/W 2,619 WEST	Latitude (NAD 83) 32.354946°	Longitude (NAD 83) -104.246771°	County EDDY
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Dedicated Acres 1280	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL B	Section 34	Township 22S	Range 26E	Lot	Ft. from N/S 330 NORTH	Ft. from E/W 2,644 EAST	Latitude (NAD 83) 32.355127°	Longitude (NAD 83) -104.280978°	County EDDY
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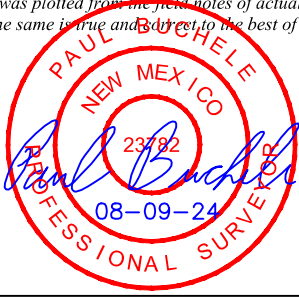
First Take Point (FTP)

UL B	Section 34	Township 22S	Range 26E	Lot	Ft. from N/S 330 NORTH	Ft. from E/W 2,554 EAST	Latitude (NAD 83) 32.355128°	Longitude (NAD 83) -104.280686°	County EDDY
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Last Take Point (LTP)

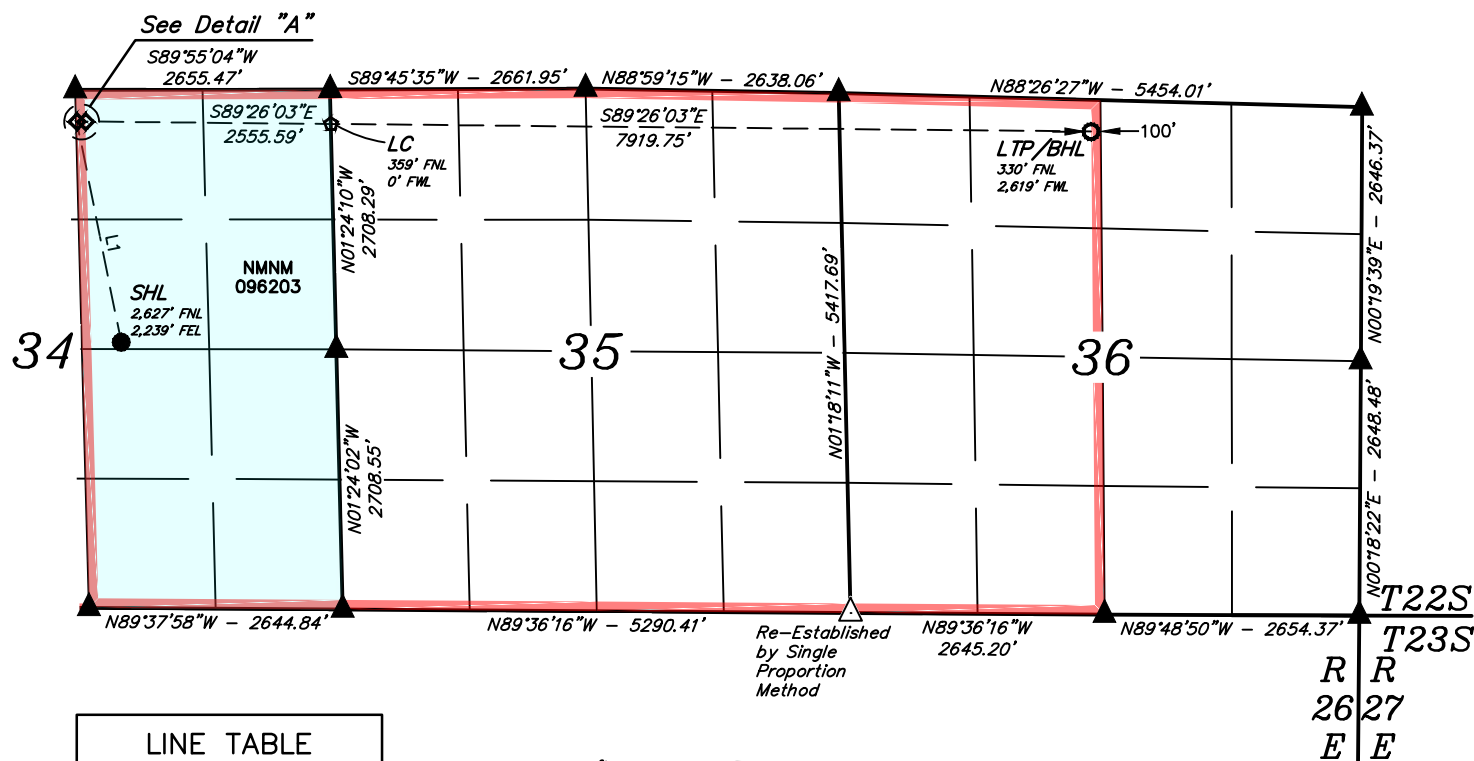
UL C	Section 36	Township 22S	Range 26E	Lot	Ft. from N/S 330 NORTH	Ft. from E/W 2,619 WEST	Latitude (NAD 83) 32.354946°	Longitude (NAD 83) -104.246771°	County EDDY
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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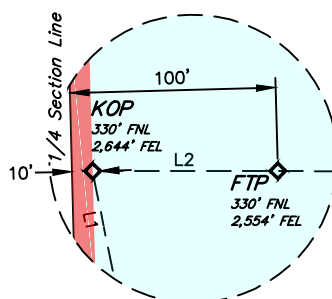
OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>	SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from the 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.</i> 
Signature _____ Date _____	Signature and Seal of Professional Surveyor 23782 August 07, 2024
Printed Name _____	Certificate Number _____ Date of Survey _____
Email Address _____	

Note: 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.

Property Name PENNY 34/36 FED COM	Well Number 521H	Drawn By C.S.C. 08-09-24	Revised By
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LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N11°21'19"W	2341.88'
L2	N89°55'04"E	90.03'



Detail "A"
No Scale

- = SURFACE HOLE LOCATION
- ◆ = KICK-OFF POINT/FIRST TAKE POINT
- ☆ = LEASE CROSSING
- = LAST TAKE POINT/
BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER
RE-ESTABLISHED.
(Not Set on Ground.)
- = HORIZONTAL SPACING UNIT

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°20'55.76" (32.348821°)
LONGITUDE = -104°16'46.05" (-104.279457°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°20'55.33" (32.348704°)
LONGITUDE = -104°16'44.23" (-104.278953°)
STATE PLANE NAD 83 (N.M. EAST)
N: 490637.27' E: 557974.94'
STATE PLANE NAD 27 (N.M. EAST)
N: 490578.39' E: 516793.49'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°21'18.46" (32.355127°)
LONGITUDE = -104°16'51.52" (-104.280978°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°21'18.03" (32.355009°)
LONGITUDE = -104°16'49.70" (-104.280473°)
STATE PLANE NAD 83 (N.M. EAST)
N: 492930.80' E: 557504.31'
STATE PLANE NAD 27 (N.M. EAST)
N: 492871.87' E: 516322.91'

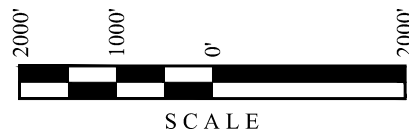
NAD 83 (FIRST TAKE POINT)
LATITUDE = 32°21'18.46" (32.355128°)
LONGITUDE = -104°16'50.47" (-104.280686°)
NAD 27 (FIRST TAKE POINT)
LATITUDE = 32°21'18.04" (32.355010°)
LONGITUDE = -104°16'48.65" (-104.280182°)
STATE PLANE NAD 83 (N.M. EAST)
N: 492931.31' E: 557594.31'
STATE PLANE NAD 27 (N.M. EAST)
N: 492872.38' E: 516412.92'

NAD 83 (LEASE CROSSING)
LATITUDE = 32°21'18.30" (32.355084°)
LONGITUDE = -104°16'20.68" (-104.272412°)
NAD 27 (LEASE CROSSING)
LATITUDE = 32°21'17.88" (32.354967°)
LONGITUDE = -104°16'18.87" (-104.271908°)
STATE PLANE NAD 83 (N.M. EAST)
N: 492916.81' E: 560149.25'
STATE PLANE NAD 27 (N.M. EAST)
N: 492857.83' E: 518967.81'

NAD 83 (LTP/BHL)
LATITUDE = 32°21'17.80" (32.354946°)
LONGITUDE = -104°14'48.37" (-104.246771°)
NAD 27 (LTP/BHL)
LATITUDE = 32°21'17.38" (32.354828°)
LONGITUDE = -104°14'46.56" (-104.246268°)
STATE PLANE NAD 83 (N.M. EAST)
N: 492871.89' E: 568066.99'
STATE PLANE NAD 27 (N.M. EAST)
N: 492812.75' E: 526885.42'

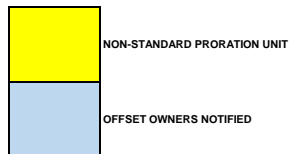
NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Colored areas within section lines represent oil & gas leases.



SCALE

28		27		26		25		30-22S-27E	
33		34		35		36		31-22S-27E	
4-23S-26E		3-23S-26E		2-23S-26E		1-23S-26E		6-23S-27E	



MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020
MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

September 24, 2024

Via Certified Mail

Affected Parties (See Attached List)

Re: Application for Non-Standard Proration Unit
PENNY 34/36 FED COM #521H
Surface Location: 2627' FSL & 2239' FEL (Sec. 34)
Proposed first take point: 330' FNL & 2554' FEL (Unit B) (Sec. 34)
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Proposed last take point: 330' FNL & 2619' FWL (Unit C) (Sec. 36)
Township 22 South, Range 26 East, Eddy County, New Mexico

To Whom It May Concern:

Enclosed is a copy of Mewbourne Oil Company's (MOC) Application for Non-Standard Proration Unit for the PENNY 34/36 FED COM #521H well covering the E2 of Section 34, All of Section 35, and the W2 of Section 36, Township 22 South, Range 26 East, Eddy County, New Mexico. You are being sent a copy of this Application per OCD's requirements to notify the interest owners in the affected offset acreage. If you have any objection to this Application, notification should be given within 20 days of the date of this letter. The Application has been filed with the OCD as of this date.

Mewbourne is seeking approval of this NSP to match up with a previous NSP for the exact same unit that covered the Wolfcamp Formation (Administrative Order NSP – 2174 approved 10/20/2023). Additionally, this NSP will eliminate the need for separate production facilities and additional administrative approvals while also providing us flexibility in locating our laterals and drilling infills in other horizons. These reasons will provide for reducing waste and our surface imprint while protecting correlative rights within the referenced horizontal spacing unit. This NSP will also possibly reduce emissions by consolidating the tank battery.

If you have any questions regarding this application, please contact me via telephone at 432-682-3715 or via email at bdunn@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY



Brad Dunn
Landman

OWNER NAME	ADDRESS LINE 1	ADDRESS LINE 2	CITY	STATE	ZIP	CERTIFIED NUMBER
Bureau of Land Management	New Mexico State Office	301 Dinosaur Trail	Santa Fe	New Mexico	87508	9414 8362 0855 1004 5012 48
New Mexico State Land Office	P.O. Box 1148		Santa Fe	New Mexico	87504-1148	7688 2562 0855 1004 5012 48
North Fork Operating, LP	1000 W. Wilshire Boulevard	STE 311	Nichols Hills	OK	73116	7848 0162 0855 1004 5012 48
Devon Energy Production Company, LP	333 West Sheridan Ave.		Oklahoma City	OK	73102	8009 0762 0855 1004 5012 48
WPX Energy Permian, LLC	333 West Sheridan Ave.		Oklahoma City	OK	73102	8144 5462 0855 1004 5012 48
OXY USA Inc.	P.O. Box 4294		Houston	TX	77210-4294	8257 2662 0855 1004 5012 48
Featherstone Development Corporation	P.O. Box 429		Roswell	NM	88202	8376 2062 0855 1004 5012 48
Petrogulf Corporation	600 Grant Street	STE 620	Denver	CO	80203	8505 8262 0855 1004 5012 48
CRP XII, LLC	6301 Waterford Boulevard	STE 215	Oklahoma City	OK	73118	8648 4862 0855 1004 5012 48
Kaiser-Francis Oil Company	6733 South Yale Avenue		Tulsa	OK	74136	8805 9662 0855 1004 5012 48
Ross Duncan Properties LLC	P.O. Box 647		Artesia	NM	88211	8927 6662 0855 1004 5012 48

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 386141

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 386141
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/24/2024