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-1152

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.

Order No. CTB-1152 Page 1 of 3

- 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).

Order No. CTB-1152 Page 2 of 3

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

DATE: 9/202025

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ALBERT C. S. CHANG

Albert Chang

DIRECTOR

Order No. CTB-1152 Page 3 of 3

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1152

Operator: Mewbourne Oil Company (14744)

Central Tank Battery: North Wilson Deep Unit Battery

Central Tank Battery Location: UL F, Section 17, Township 21 South, Range 35 East Gas Title Transfer Meter Location: UL B, Section 14, Township 21 South, Range 34 East

Pools

Pool Name Pool Code WILSON;BONE SPRING, NORTH 97704

Leases as defined in 19.15.12.7(C) NMAC		
Lease	UL or Q/Q	S-T-R
SLO Lease V0 6465-0002	NW4, S2	05-21S-35E
SLO Lease B0-1481-0018	All Minus UL O, P	08-21S-35E
SLO Lease K0-4205-0003	N2	17-21S-35E
SLO Lease E0-1921-0005	S2	17-21S-35E
SLO Lease VB-0756-0001	NW4, W2NE	20-21S-35E
SLO Lease E0-2446-0008	S2	20-21S-35E
SLO Lease B0-1431-0027	E2NE	20-21S-35E
SLO Lease B0-0158-0025	N2	29-21S-35E
SLO Lease V0-5917-0004	NE4, S2	18-21S-35E
SLO Lease B0-1439-0008	NE4	07-21S-35E
CA Dana Spring SL O 204054 DUN 1404996	W2E2	07-21S-35E
CA Bone Spring SLO 204954 PUN 1404886	W2E2	18-21S-35E
CA Dono Spring SL O 205004 DUN 1405001	E2E2	07-21S-35E
CA Bone Spring SLO 205004 PUN 1405901	E2E2	18-21S-35E

Wells				
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49422	30-025-49422 NORTH WILSON DEEP UNIT #003H	W2SW	17-21S-35E	97704
		W2W2	20-21S-35E	
		W2NW	29-21S-35E	
	NORTH WILSON DEEP UNIT #004H	E2SW	17-21S-35E	
30-025-49423 NORTH WILSON DEEP UNIT #004H		E2W2	20-21S-35E	97704
	E2NW	29-21S-35E		
		W2SE	17-21S-35E	
30-025-50172	NORTH WILSON DEEP UNIT #006H	W2E2	20-21S-35E	97704
	W2NE	29-21S-35E		
30-025-50173	NORTH WILSON DEEP UNIT #007H	E2SE	17-21S-35E	
		E2E2	20-21S-35E	97704
		E2NE	29-21S-35E	

		W2SW	05-21S-35E	
30-025-52088 NORTH WILSON DEEP UNIT #010H	NORTH WILSON DEEP UNIT #010H	W2W2	08-21S-35E	97704
	W2NW	17-21S-35E		
30-025-52089 NORTH WILSON DEEP UNIT #011H		E2SW	05-21S-35E	
	E2W2	08-21S-35E	97704	
	E2NW	17-21S-35E		
30-025-52090 NORTH WILSON DEEP UNIT #012H		W2SW	05-21S-35E	
	W2W2	08-21S-35E	97704	
		W2NW	17-21S-35E	
30-025-52087 NORTH WILSON DEEP UNIT #005H		W2SW	05-21S-35E	
	W2W2	08-21S-35E	97704	
		W2NW	17-21S-35E	
30-025-52838 NORTH WILSON DEEP UNIT #008H	NODTH WILCON DEED HAIT 4000H	W2E2	07-21S-35E	97704
	W2E2	18-21S-35E	7//04	
20 025 52920	30-025-52839 NORTH WILSON DEEP UNIT #009H	E2E2	07-21S-35E	97704
30-043-34839		E2E2	18-21S-35E	9//04

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 508336

CONDITIONS

Operator:	OGRID:	
MEWBOURNE OIL CO	14744	
P.O. Box 5270	Action Number:	
Hobbs, NM 88241	508336	
	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.	9/23/2025