



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Pecos District  
Carlsbad Field Office  
620 E. Greene  
Carlsbad, New Mexico 88220-6292  
[www.blm.gov/nm](http://www.blm.gov/nm)



IN REPLY REFER TO:  
NM134271  
3105.2 (P0220)

Reference:  
Owl Draw 22-27 B2AP Fed Com 1H  
T. 26 S., R. 27 E.,  
Section 15  
Eddy County, NM

MAR 18 2015

RECEIVED OCD  
2015 MAR 23 P 2:29

Mewbourne Oil Company  
Box 7698  
Tyler, TX 75711

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134271 involving 160 acres of Federal land in lease NMNM114971 and 160 acres of Fee land, NMPM, Eddy County, New Mexico, which comprise a 320 acre well spacing unit.

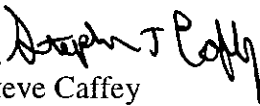
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2E2 of Sec. 22, E2E2 of Sec. 27, T 26 S, R 27 E, NMPM, and is effective 3/20/14. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

  
Steve Caffey  
Assistant Field Manager,  
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

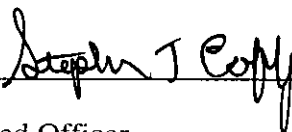
NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the E2E2 of Sec. 22, E2E2 of Sec. 27, T 26 S, R 27 E, NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

  
\_\_\_\_\_

Authorized Officer  
Stephen Caffey  
Asst. Field Mgr.

Effective: 3/20/14

Contract No.: Com. Agr. NM134271



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## BUREAU OF LAND MANAGEMENT

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In Reply Refer to  
NM134271  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM134271

Date of Completion:	10/22/14
Date of First Production:	10/22/14
Field:	Hay Hollow
Operator, Well Name & No, API Number:	Mewbourne Oil; Owl Draw 22-27 B2AP Fed Com 1H; 3001541430
Surface Location:	Sec. 15, T. 26 S., R. 27 E.
Total Depth:	17,650 MD; 7,599 TVD
Surface Elevation:	3,148 GL
Producing Formation:	Bone Spring (7,818 – 17,405)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 873 BBL; Gas 1726 MCF; Water 2,210 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM134271, effective 03/20/2014, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the E/2E/2 of sec. 22, E/2E/2 of Sec. 27, T. 26 S., R. 27 E., NMPPM, and comprises 160 acres of Fee land, and 160 acres in Federal lease NMNM114971 for a 320 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at [ajmorrison@blm.gov](mailto:ajmorrison@blm.gov).

/S/ Deborah M Ham  
3/18/15

cc:  
ONRR  
First Production File  
LLNM (P0220, File Room)