



New Mexico Energy, Minerals and Natural Resources Department

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Division Director  
Oil Conservation Division



Surface Commingling Order CTB-631  
June 14, 2011

Mewbourne Oil Company  
P.O. Box 5270  
Hobbs, New Mexico 88240

Attention: Robin Terrell:

It is our understanding that diversely owned lands producing oil and gas from one common source of supply are proposed for commingling through facilities operated by the Mewbourne Oil Company ("applicant"). Applicant has made application for diversely owned surface commingling per 19.15.12.10.C.(4) NMAC. Notice has been provided and no objections were received.

Applicant is hereby authorized to surface commingle oil and gas production from the Parkway; Bone Spring Pool (38179) from the following leases and wells all located within Section 36, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico:

Three Palms "36" State Com Well No.1H (API No. 30-015-37860), SHL: Unit Letter A. BHL: Unit Letter D. Project Area and Oil Proration Unit: Unit Letters D, C, B, and A  
Portions of State Leases V-1576 and VB-1778

Three Palms "36" State Com Well No.2H (API No. 30-015-38422), SHL: Unit Letter H. BHL: Unit Letter E. Project Area and Oil Proration Unit: Unit Letters H, G, F, and E  
Portions of State Leases V-1576 and VB-1778

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. Oil and gas from each well shall be continuously metered prior to being commingled for storage or sales. The oil and gas meters on this battery shall be calibrated on a schedule based on throughput as per Division Rule 19.15.12.10.C.(2) NMAC.

Commingled oil and gas production from the wells detailed above shall be measured and the oil and gas production sold at a tank battery located in Unit Letter D, Section 36, Township 19 South, Range 29 East, NMPM, of Eddy County, New Mexico.

Before commencing surface commingling, the operator must obtain approval from the State Land Office (SLO) as directed in 19.15.12.10.C.(4)(h) NMAC. The operator shall notify the



District office of the Division prior to implementation of commingling operations. It is the responsibility of the producer to notify the transporter of this commingling authority.

Applicant has not provided notice providing for the addition of future wells or additional Pools to this commingle as per 19.15.12.10.C.(4)(g)(i) NMAC. Therefore, additional wells or Pools shall not be included in this surface commingle without the operator again making application as per 19.15.12.10.C.(4) NMAC, including notices provided to all owners, and obtaining approval from the Division.



JAMI BAILEY  
Division Director

JB/wvjj

cc: Oil Conservation Division – Artesia  
State Land Office – Oil, Gas, and Minerals Division