

ABOVE THIS LINE FOR DIVISION USE ONLY

R: 6/14/16

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-7435

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] **NEWBOURNE OIL CO. [#14744]**
- [A] Location - Spacing Unit - Simultaneous Dedication **API # 30-015-43464**
- NSL NSP SD **YARDBIRDS 34 W2OB Fee# 1H**
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement **CULEBRA BLUFF;**
- DHC CTB PLC PC OLS OLM **WOLFCAMP; South**
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery **(GAS) [# 75750]**
- 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>Mitchell Robb</u>	<u></u>	<u>Landman</u>	<u>6/10/16</u>
Print or Type Name	Signature	Title	Date
		<u>mrobb@newbourne.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 OGD
2016 JUN 14 P 2: 23

June 10, 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
Yardbirds 34 W2OB Fee #1H
API No. 3001543464
Surface Location: 150' FSL & 2310' FEL (Unit O)
First Take Point: 330' FSL & 2310' FEL (Unit O)
Last Take Point: ~~330' FNL & 2160' FEL (Unit B)~~
Bottomhole Location: ~~330' FNL & 2160' FEL (Unit B)~~
Section 34, T-23-S, R-28-E, NMPM
Eddy County, New Mexico

Corrected
330' FNL & 2100' FEL

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 Yardbirds 34 W2OB Fee #1H. This well will be drilled as a horizontal gas well in the Culebra Bluff; Wolfcamp, South (Gas) Pool (75750).

The Yardbirds 34 W2OB Fee #1H will be dedicated to a standard 320-acre gas spacing and proration unit comprising the E/2 of Section 34. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

Culebra Bluff; Wolfcamp, South (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 34.

The affected offset acreage comprises the S/2 and NW/4NW/4 of Section 26, all of Section 27, all of Section 33, W/2 of Section 34, all of Section 35, Township 23 South, Range 28 East, NMPM, all of Section 2, all of Section 3, and all of Section 4, Township 24 South, Range 28 East, NMPM (See Attached Map). There are currently the following Wolfcamp producers within the offset acreage:

- Speedwagon 27 W2DM Fee #1H (API No: 3001542695), Section 27, T23S, R28E
- Layla 35 MD Fee #2H (API No: 3001541730), Section 35, T23S, R28E
- Layla 35 W2OB Fee #3H (API No: 3001542407), Section 35, T23S, R28E
- Yardbirds 3 W2DM Fee #1H (API No: 3001542936), Section 3, T24S, R28E

Consequently, notice of this application is being provided to MRC Permain Company, Southwest Royalties Inc., Chevron Midcontinent, LP, and Kaiser Francis Oil Company.

Attached is a Form C-102 showing the surface, first take point, last take point, and bottomhole locations for the Yardbirds 34 W2OB Fee #1H. Also, attached is a map showing the affected offset acreage, a horizontal well plan, notice list and offset notice letter.

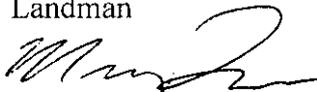
In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Culebra Bluff; Wolfcamp, South (Gas) Pool underlying the E/2 of Section 34 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

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

Sincerely,

MEWBOURNE OIL COMPANY

Mitch Robb
Landman



Xc: OCD-Artesia

Lowe, Leonard, EMNRD

From: Mitchell Robb <mrobb@mewbourne.com>
Sent: Wednesday, July 13, 2016 9:18 AM
To: Lowe, Leonard, EMNRD
Subject: NSL - Yarbids 34 W2OB Fee #1H
Attachments: C102.pdf

Leonard,

In regards to the above well and last perf, I have attached the newest C102. At the time that I applied for the NSL, we did not have this C102 yet so that is why the older one was used. The bottom hole location and last take point for the NSL can now be 338' FNL and 2100' FEL of Section 34-23S-28E, Eddy County, NM.

If you have any additional questions or concerns, please don't hesitate to ask.

Thanks,

Mitch Robb
Petroleum Landman
Mewbourne Oil Company
Office: (432) 682-3715
Cell : (405) 394-8583
Email: mrobb@mewbourne.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
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

NM OIL CONSERVATION
ARTESIA DISTRICT

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

JUN 20 2016

RECEIVED

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43464	² Pool Code 75750	³ Pool Name Culebra Bluff; Wolfeamp, South (Gas)
⁴ Property Code 315669	⁵ Property Name YARDBIRDS 34 W20B Fee	
⁷ OGRID No. 14744	⁶ Operator Name MEWBOURNE OIL COMPANY	
		⁸ Well Number 1H
		⁹ Elevation 3025'

¹⁰ Surface Location

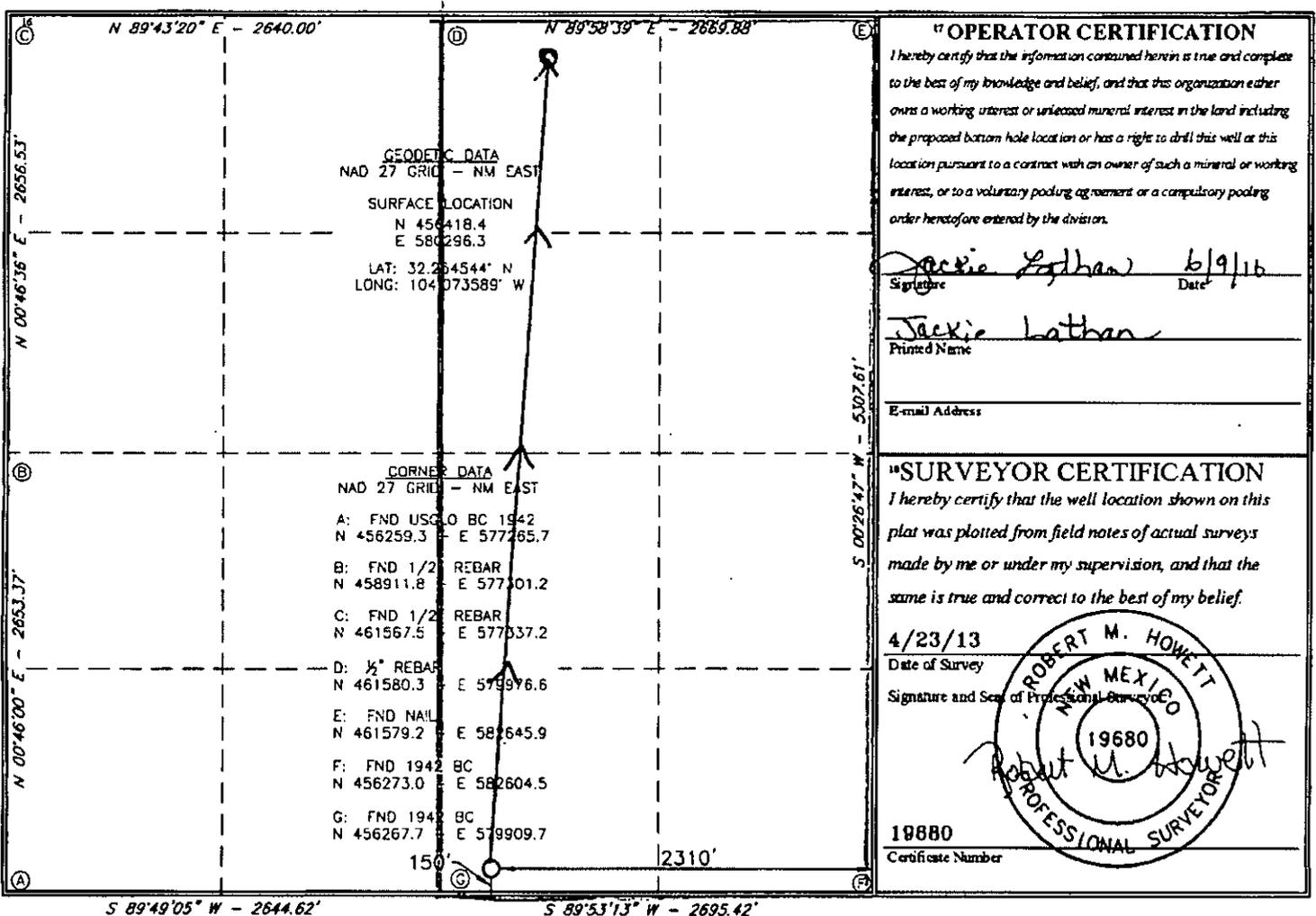
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	34	23-S	28-E		150	SOUTH	2310	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	34	23S	28E		330'	North	2100'	East	Eddy

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



" OPERATOR CERTIFICATION
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 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Jackie Lathan Date: 6/9/16
Printed Name: Jackie Lathan
E-mail Address:

"SURVEYOR CERTIFICATION
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.

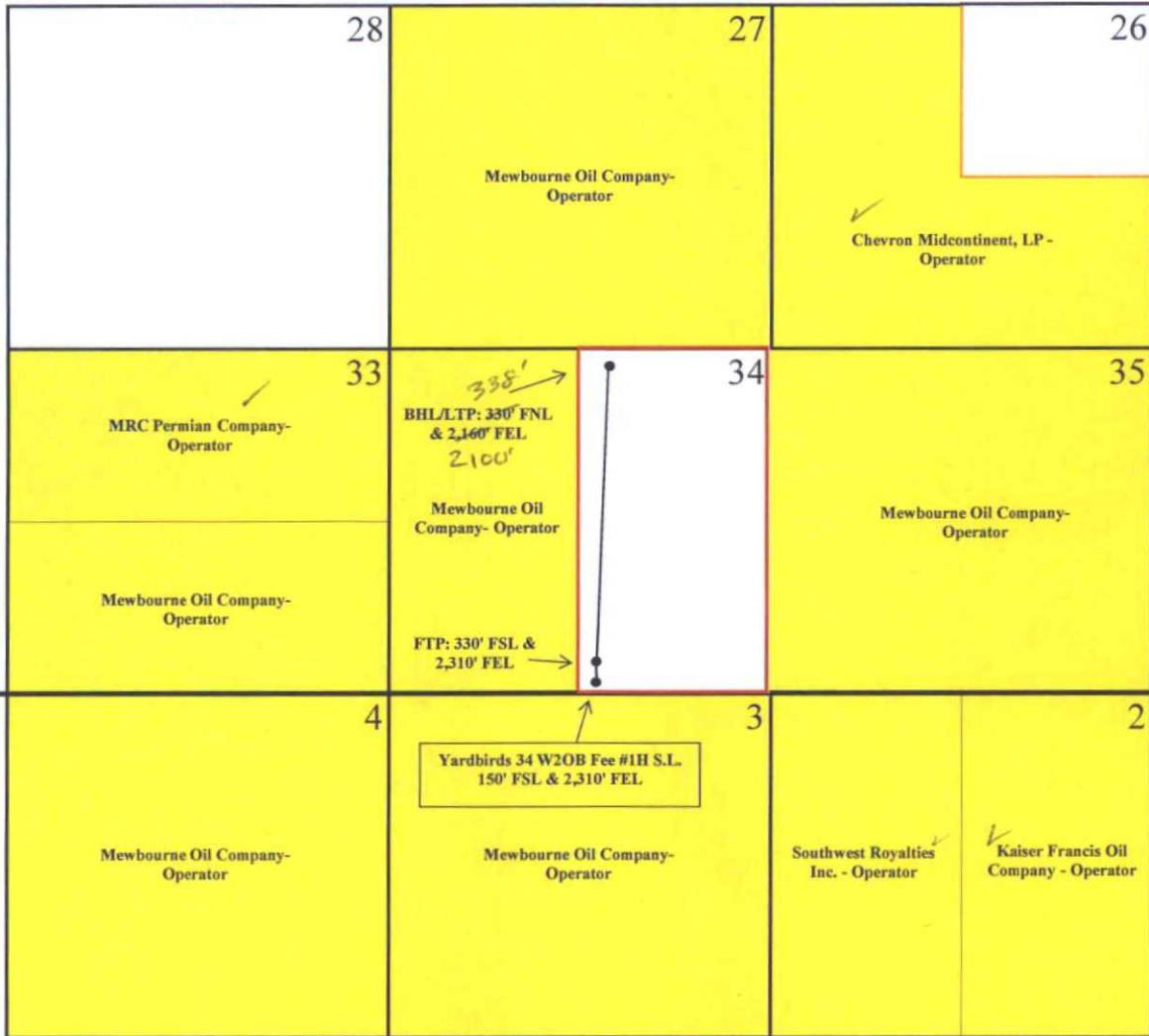
Date of Survey: 4/23/13
Signature and Seal of Professional Surveyor: Robert M. Howett
Certificate Number: 18880

ROBERT M. HOWETT
NEW MEXICO
19680
PROFESSIONAL SURVEYOR

Notice List
Mewbourne Oil Company
Application for Unorthodox Well Location
Yardbirds 34 W2OB Fee #1H, Section 34, T23S, R28E
Eddy County, New Mexico

Owners Noticed	Tract Number	Certified Tracking Number
MRC Permian Company ✓ 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	See Attached Plat	9414810699945015406247
Southwest Royalties Inc ✓ 6 Desta Dr # 3000 Midland, TX 79705	See Attached Plat	9414810699945015406377
Chevron Midcontinent, LP ✓ 1400 Smith St. Houston, TX 77002	See Attached Plat	9414810699945015406445
Kaiser Francis Oil Company 6733 South Yale Avenue ✓ Tulsa, OK 74136	See Attached Plat	9414810699945015406469
NMOCD 811 S. First St. Artesia, NM 88210	N/A	9414810699945015926653

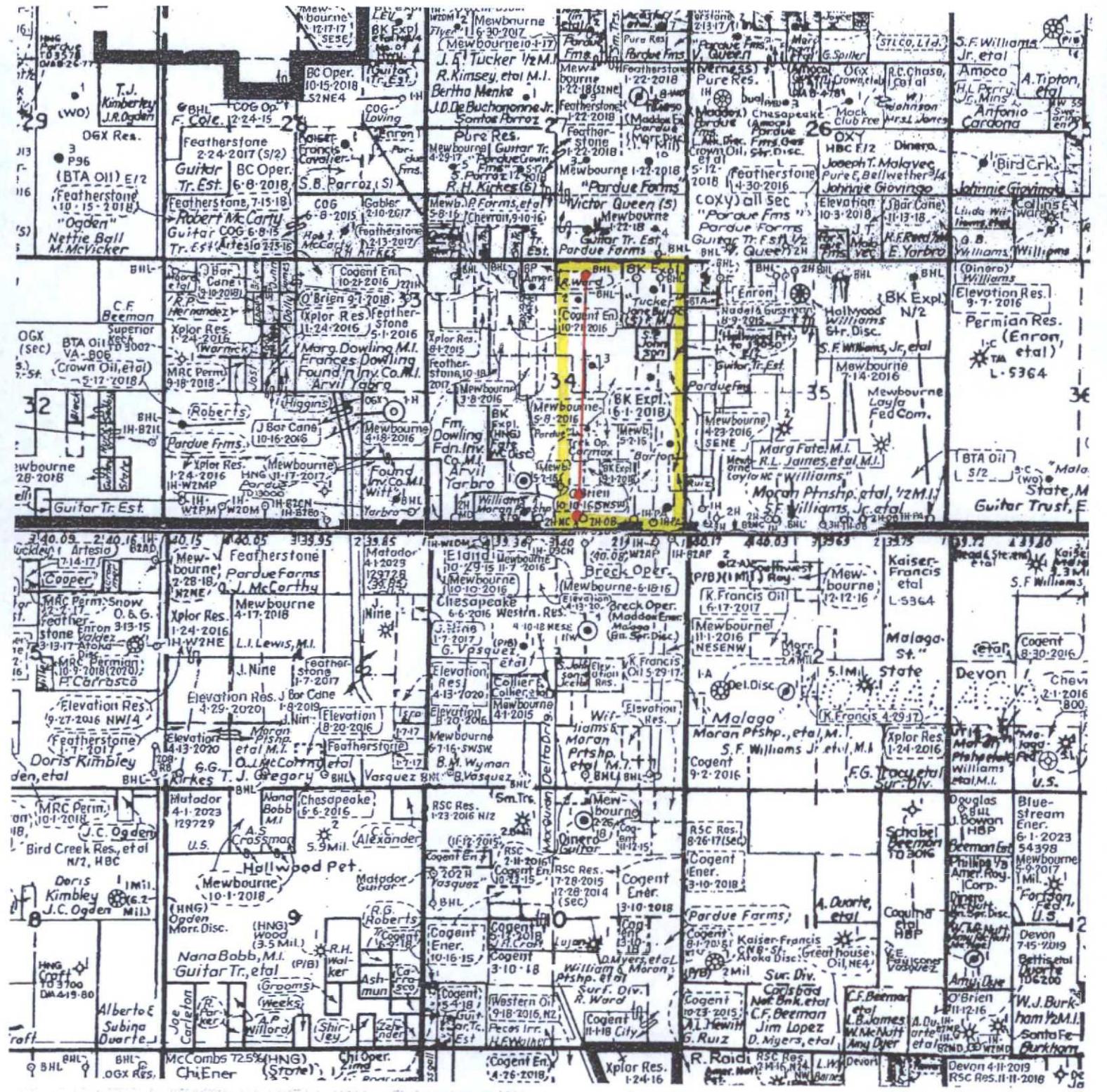
23S - 28E



24S - 28E

- 320-Acre Spacing Unit
- Affected Offset Acreage/Tracts

Mewbourne Oil Company
Application for Unorthodox Well Location
Yardbirds 34 W2OB Fee #1H
Affected Offset Acreage



Map details and notes:

- Map scale: 1" = 1/4 mile
- Map projection: NAD 83 UTM Zone 18N
- Map date: 10/15/2019
- Map title: Mewbourne Area Land Ownership Map
- Map author: [Name]
- Map contact: [Phone]
- Map disclaimer: This map is for informational purposes only and does not constitute a legal opinion or warranty of accuracy.

MEWBOURNE OIL COMPANY

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

May 11, 2016

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Well Location

Yardbirds 34 W2OB Fee #1H (API No. 3001543464)

Surface Location: 150' FSL & 2310' FEL (Unit O – Section 34, T23S, R28E)
First Take Point: 330' FSL & 2310' FEL (Unit O – Section 34, T23S, R28E)
Bottomhole Location: 330' FNL & 2160' FEL (Unit B – Section 34, T23S, R28E)
Proration Unit: E/2 Section 34, T-23-S, R-28-E, NMPM, Eddy County, New Mexico
Pool: Culebra Bluff; Wolfcamp, South (Gas) Pool (75750)

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 the Yardbirds 34 W2OB Fee #1H well located at the surface, first take point and bottomhole locations described above. The well will test the Culebra Bluff; Wolfcamp, South (Gas) Pool and will be dedicated to a non-standard 320-acre gas spacing and proration unit comprising the E/2 Section 34, T-23-S, R-28-E, NMPM, Eddy County, New Mexico. The unorthodox is necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the E/2 of Section 34.

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 cpearson@mewbourne.com or call me at (432) 682-3715.

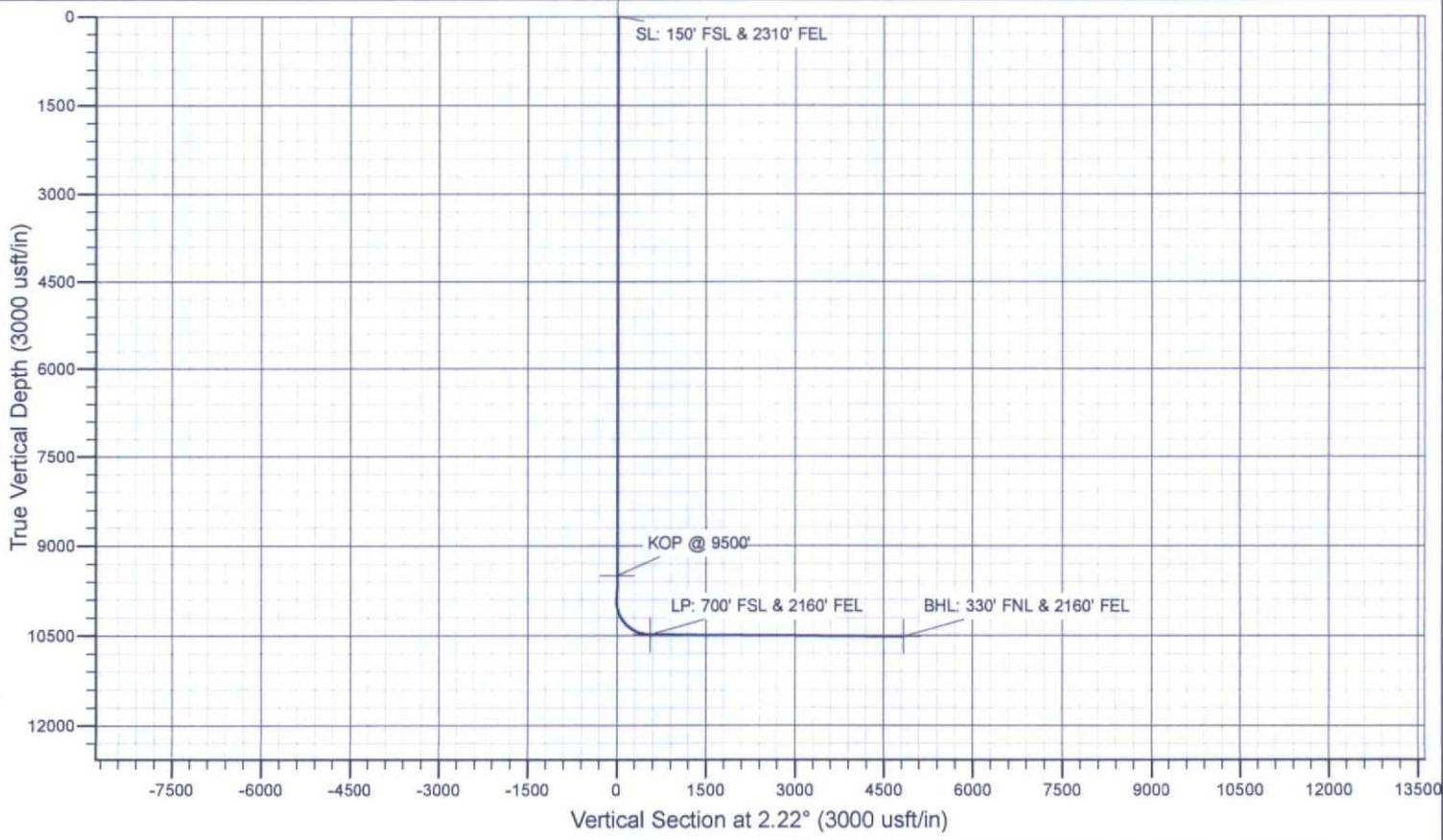
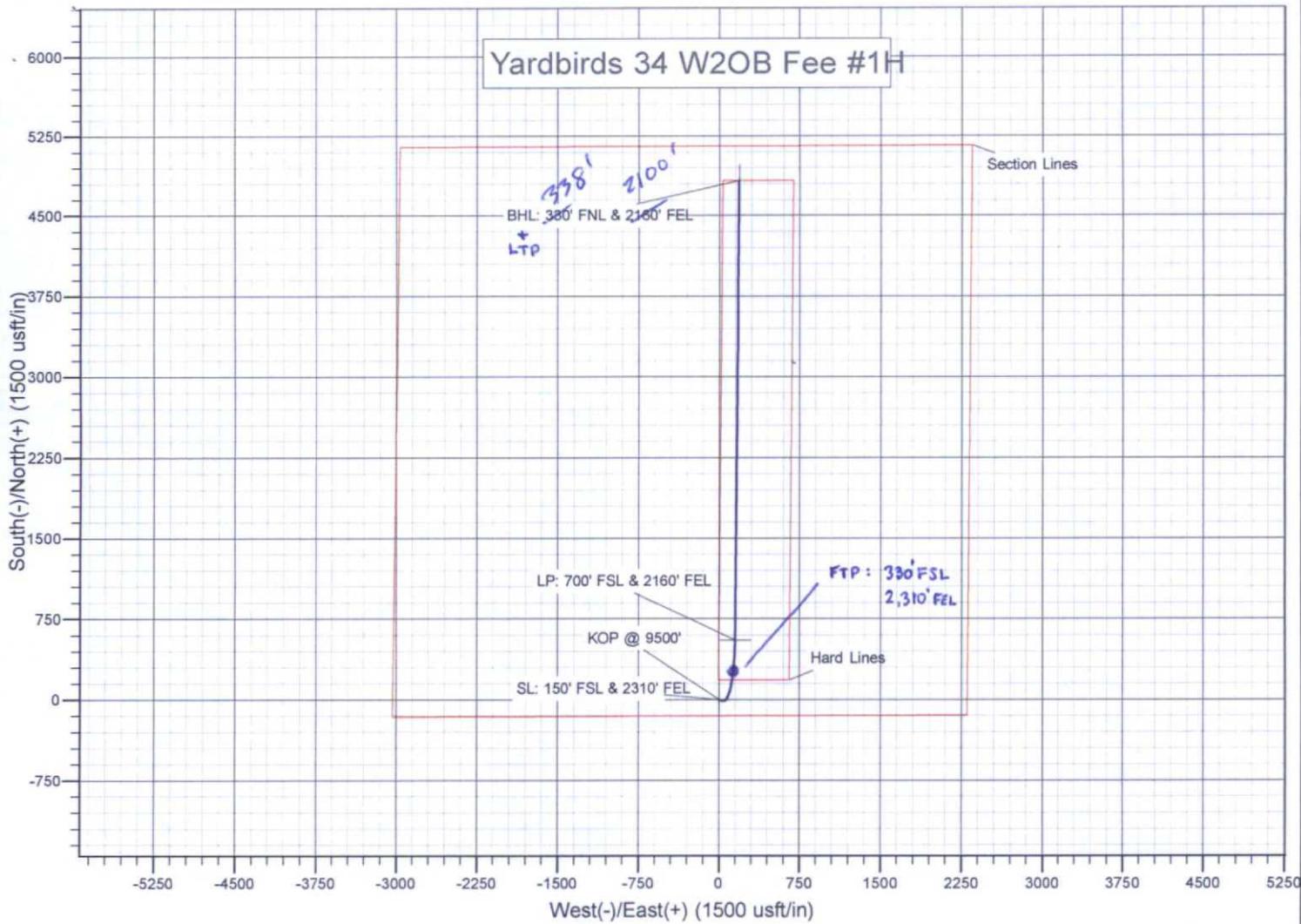
Sincerely,

MEWBOURNE OIL COMPANY

Clayton Pearson
Landman

Enclosure
Xc: OCD-Artesia

Yardbirds 34 W2OB Fee #1H

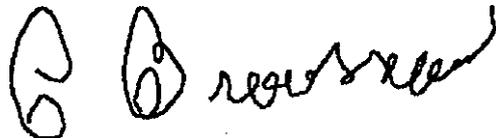


Date: June 7, 2016

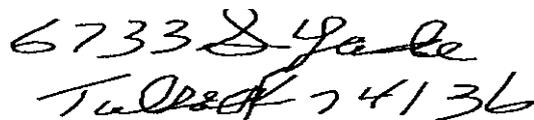
Simple Certified:

The following is in response to your June 7, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015406469. The delivery record shows that this item was delivered on June 6, 2016 at 11:33 am in TULSA, OK 74136. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



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

Kaiser Francis Oil Company
6733 S YALE AVE
TULSA, OK 74136
Reference #: Yardbirds 34 W2OB 1H MR



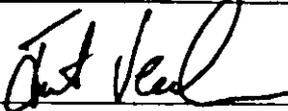
**UNITED STATES
POSTAL SERVICE.**

Date: June 4, 2016

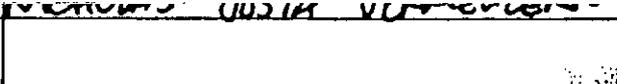
Simple Certified:

The following is in response to your June 4, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015406445. The delivery record shows that this item was delivered on June 3, 2016 at 4:04 pm in HOUSTON, TX 77008. The scanned image of the recipient information is provided below.

Signature of Recipient :

ure	Delivery Section
	
id	NICHOLAS JOSTA VERMEULEN.

Address of Recipient :

ry ss	
----------	--

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

Chevron Midcontinent LP
1400 Smith St
Houston, TX 77002
Reference #: Yardbirds 34 W2OB 1H MR
Item ID: Yardbirds 34 W2OB 1H MR

Date: May 14, 2016

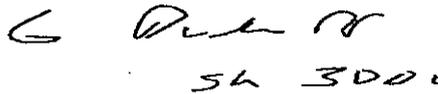
Simple Certified:

The following is in response to your May 14, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015406377. The delivery record shows that this item was delivered on May 13, 2016 at 10:40 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



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

Southwest Royalties, Inc.
6 Desta Drive #3000
Midland, TX 79705
Reference #: Yardbirds 34 W2OB 1H MR
Item ID: Yardbirds 34 W2OB 1H MR

NSL



UNITED STATES
POSTAL SERVICE

Date: May 24, 2016

Simple Certified:

The following is in response to your May 24, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015406247. The delivery record shows that this item was delivered on May 23, 2016 at 11:46 am in DALLAS, TX 75240. The scanned image of the recipient information is provided below.

Signature of Recipient :

Mark D van

Address of Recipient :

5400 LBJ Fwy
STE 1500

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

MRC Permian Company
5400 LBJ FWY STE 1500
DALLAS, TX 75240
Reference #: Yardbirds 34 W2OB 1H MR
Item ID: Yardbirds 34 W2OB 1H MR

Mewbourne Oil Company
Mitch Robb
500 W. Texas, STE 1020
MIDLAND TX 79701-4279

Yardbirds 34 W2OB 1H MR

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9414 8106 9994 5015 9287 56

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



OCD Permitting

Home Land Searches Land Details

Section : 34-23S-28E

Type: Normal

Total Acres: 640

County: Eddy (15)



D (D) Fee ¹ Fee ² (15) 40	C (C) Fee ¹ Fee ² (15) 40	B (B) Fee ¹ Fee ² (15) 40	A (A) Fee ¹ Fee ² (15) 40
E (E) Fee ¹ Fee ² (15) 40	F (F) Fee ¹ Fee ² (15) 40	G (G) Fee ¹ Fee ² (15) 40	H (H) Fee ¹ Fee ² (15) 40
L (L) Fee ¹ Fee ² (15) 40	K (K) Fee ¹ Fee ² (15) 40	J (J) Fee ¹ Fee ² (15) 40	I (I) Fee ¹ Fee ² (15) 40
M (M) Fee ¹ Fee ² (15) 40	N (N) Fee ¹ Fee ² (15) 40	O (O) Fee ¹ Fee ² (15) 40	P (P) Fee ¹ Fee ² (15) 40

Note¹ = Surface Owner Rights

Note² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, July 14, 2016 4:17 PM
To: 'Mitchell Robb'
Cc: Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'
Subject: NSL-7435 (Yardbirds 34 W2OB Fee Well # 1H_34 23S 28E_Eddy County) APPROVED
Importance: High

Mr. Mitchell Robb

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-7435

Mewbourne Oil Company

API: 30-015-43464

WELL: Yardbirds 34 W2OB Fee Well # 1H, 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

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