

9/22/2016 DATE IN	SUSPENSE	ENGINEER L L L	9/22/2016 LOGGED IN	NSL/NSP TYPE	APP NO pKSC1626652723 pKSC1626655682
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ABOVE THIS LINE FOR DIVISION USE ONLY

**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-7470

NSL/NSP - 2053

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD  
 Mewbourne Oil Company (14744)  
 Hollywood 28/33 W2IP Fed Com #1H  
 30-015-43893 Forehand Ranch Wolfcamp  
 Gas Pool (76780)
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 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.

Corey Mitchell  
 Print or Type Name

Corey Mitchell  
 Signature

Landman  
 Title

9-15-2016  
 Date

c.mitchell@mewbourne.com  
 e-mail Address

## MEWBOURNE OIL COMPANY

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

September 16, 2016

Via Certified Mail

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

Re: Application for Unorthodox Well Location and Non-Standard Proration Unit  
Hollywood 28/33 W2IP Federal Com No. 1H  
API No. 3001543893  
Surface Location: 2455' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)  
First Take Point: 2310' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)  
Last Take Point: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)  
Bottomhole Location: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)  
SE/4 Section 28, T-23-S, R-27-E and E/2 Section 33, T-23-S, R-27-E, NMPPM  
Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.4.12.A.3 and 19.15.15.13, Mewbourne Oil Company (“Mewbourne”) respectfully requests administrative approval of an unorthodox gas well location and non-standard proration unit for its proposed. This well will be drilled as a horizontal gas well in the Forehand Ranch Wolfcamp Gas Pool (76780).

The Hollywood 28/33 W2IP Federal Com No. 1H will be dedicated to a 480-acre gas spacing and proration unit comprising the SE/4 Section 28 and E/2 Section 33. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

Forehand Ranch Wolfcamp 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 and non-standard proration unit are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the SE/4 Section 28 and E/2 Section 33.

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

- Goose 29/28 W2BA State Com No. 1H (API No: 3001543452), Section 29, T23S, R27E

Consequently, notice of this application is being provided to Devon Energy Production Company, L.P., Chevron U.S.A. Inc., ConocoPhillips Company, COG Operating LLC, Crown Oil partners V, LP, Crump Energy Partners II, LLC, Nadel and Gussman Permian, LLC and MRC Permian LKE Company, LLC.

Attached is a Form C-102 showing the surface, first take point, last take point, and bottomhole locations for the Hollywood 28/33 W2IP Federal Com No. 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 Forehand Ranch Wolfcamp Gas Pool underlying the SE/4 Section 28 and E/2 Section 33 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 [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Corey Mitchell  
Landman

Xc: OCD-Artesia

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, Artec, 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

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

SEP 16 2016

AMENDED REPORT  
Correct Property Code

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number <b>30.015.43893</b>		2 Pool Code 76780		3 Pool Name FORBHAND RANCH WOLFPCAMP GAS				
4 Property Code <b>316754</b>		5 Property Name <b>HOLLYWOOD 28/33 W2IP FED COM</b>			6 Well Number <b>1H</b>			
7 GRID NO. 14744		8 Operator Name <b>MEWBOURNE OIL COMPANY</b>			9 Elevation <b>3177'</b>			
10 Surface Location								
UL or lot no. <b>I</b>	Section <b>28</b>	Township <b>23S</b>	Range <b>27E</b>	Lot Idn <b>2455</b>	North/South line <b>SOUTH</b>	Feet From the <b>450</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
11 Bottom Hole Location If Different From Surface								
UL or lot no. <b>P</b>	Section <b>33</b>	Township <b>23S</b>	Range <b>27E</b>	Lot Idn <b>330</b>	North/South line <b>SOUTH</b>	Feet from the <b>450</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
12 Dedicated Acres <b>480</b>		13 Joint or Infill		14 Consolidation Code		15 Order No. <b>NSP PENDING + N3L PENDING</b>		

150P  
APSHUDP

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.

Diagram showing Project Area and Producing Area with grid coordinates and well locations (S.L., B.H.).

**GEODETIC DATA**  
NAD 27 GRID - NM EAST

**SURFACE LOCATION**  
N 483785.1 - E 545097.1  
LAT: 32.27497771° N  
LONG: 104.18741922° W

**BOTTOM HOLE**  
N 458426.8 - E 544889.2  
LAT: 32.25475039° N  
LONG: 104.18780050° W

**GEODETIC DATA**  
NAD 83 GRID - NM EAST

**SURFACE LOCATION**  
N 463843.7 - E 585279.5  
LAT: 32.27509704° N  
LONG: 104.18791769° W

**BOTTOM HOLE**  
N 458485.2 - E 586171.8  
LAT: 32.25486983° N  
LONG: 104.18828837° W

**CORNER DATA**  
NAD 27 GRID - NM EAST

A: CALCULATED CORNER  
N 458060.8 - E 540137.5

B: FOUND 1/2" REBAR  
N 461328.4 - E 540282.4

C: FOUND 1 1/2" IRON PIPE  
N 486641.9 - E 540266.6

D: CALCULATED CORNER  
N 486689.3 - E 545524.3

E: FOUND 1/2" REBAR  
N 461331.0 - E 545566.3

F: CALCULATED CORNER  
N 458100.3 - E 545430.6

G: FOUND 100D NAIL  
N 461330.2 - E 547924.3

**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 hereinafter entered by the division.

*[Signature]*  
Date \_\_\_\_\_  
**BRADLEY BISHOP**  
Printed Name  
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.

**4-11-2016**  
Date of Survey  
Signature and Seal of **ROBERT M. HOWETT**  
**19880**  
Certificate Number

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

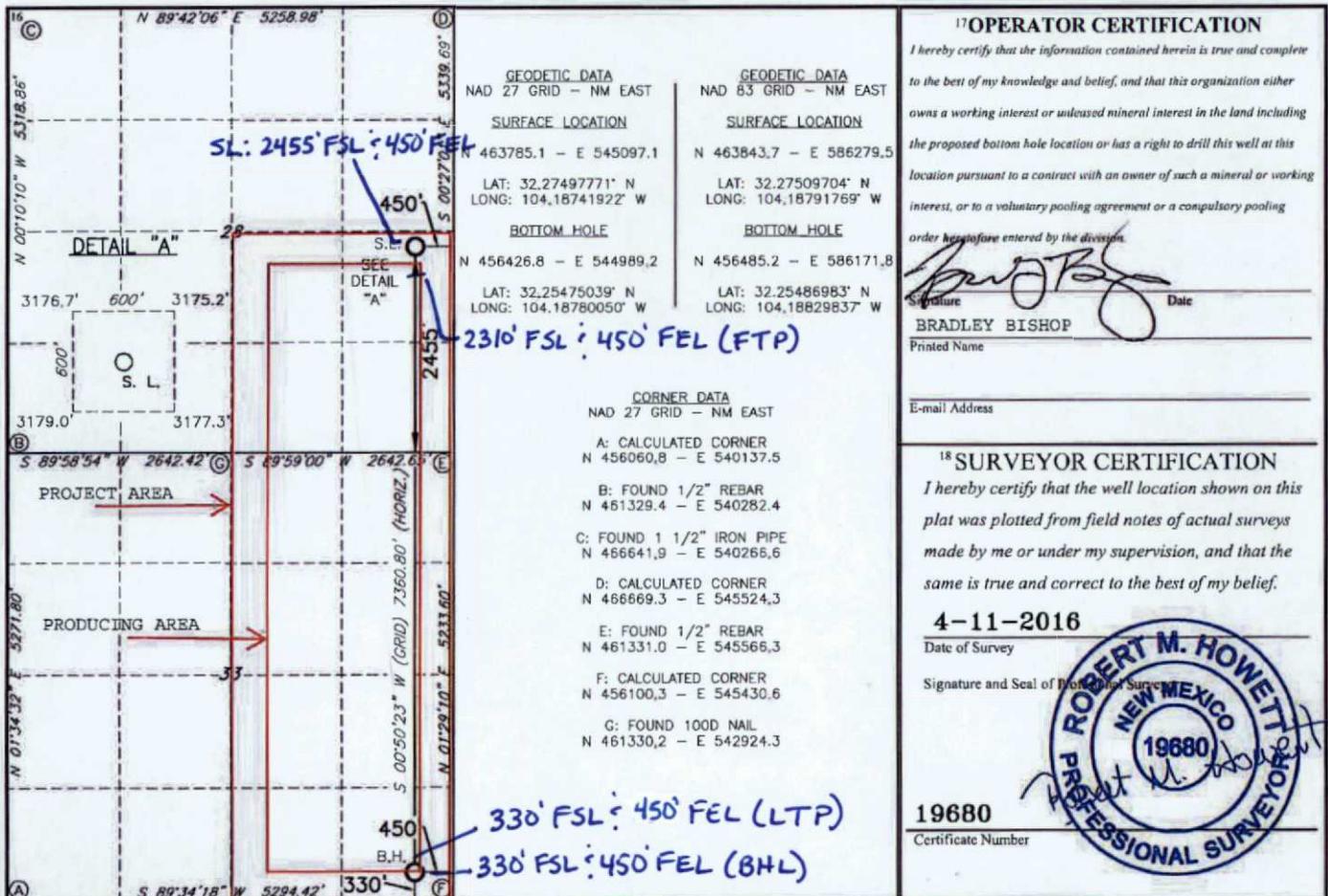
Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

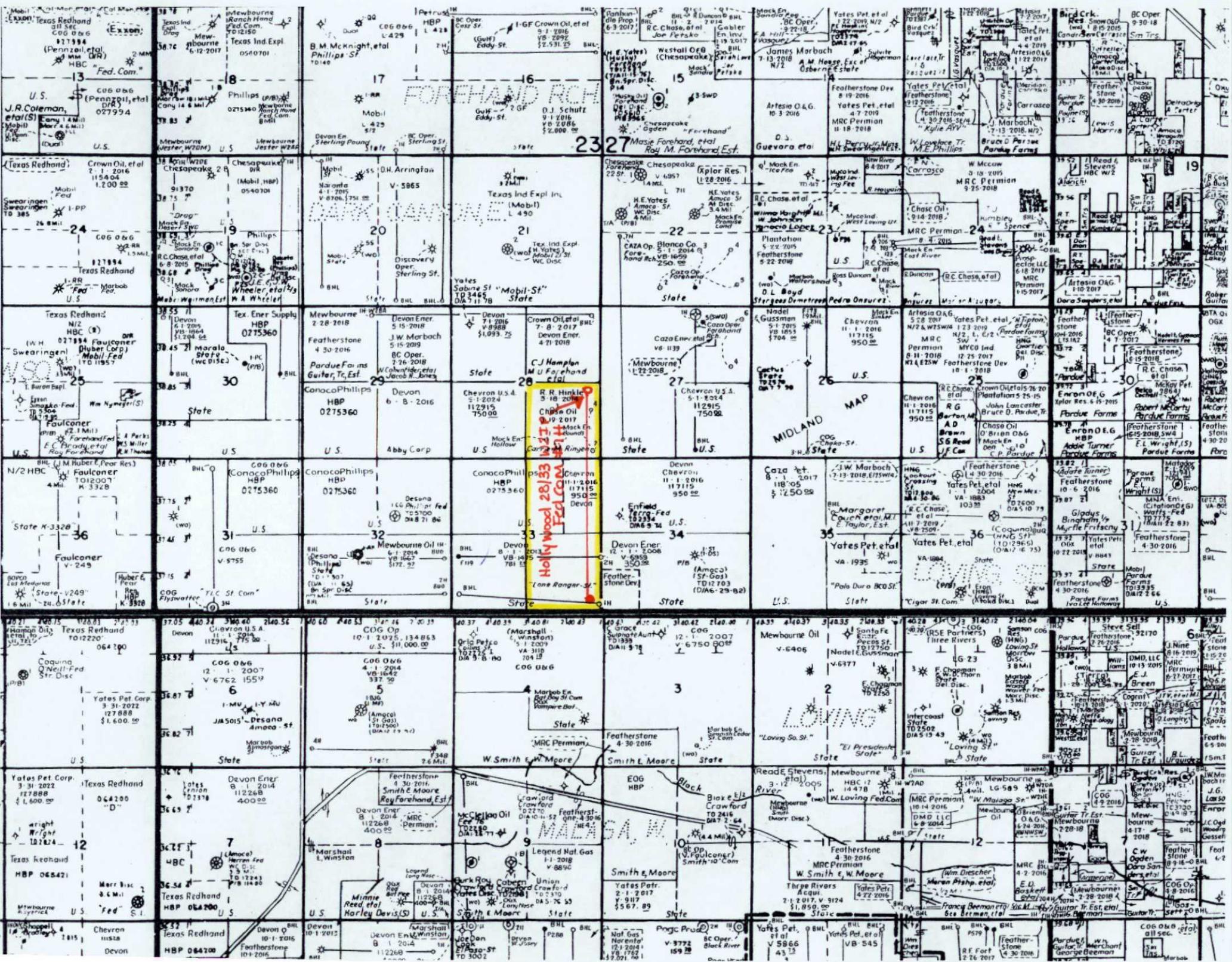
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
		76780		FOREHAND RANCH WOLFCAMP GAS					
4 Property Code		5 Property Name						6 Well Number	
		HOLLYWOOD 28/33 W2IP FED COM						1H	
7 GRID NO.		8 Operator Name						9 Elevation	
14744		MEWBOURNE OIL COMPANY						3177'	
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
I	28	23S	27E		2455	SOUTH	450	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
P	33	23S	27E		330	SOUTH	450	EAST	EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code		15 Order No.					
480									

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.





FOREHAND RCH

DARK OAK

MIDLAND MAP

HOLLYWOOD 28/33  
Fed. Com.

Long Ranger St.

MALAGA W

LOWING

13 J.R. Coleman, et al (S) 027994  
U.S.  
Crown Oil, et al 2-1-2016 1150.00  
Swearingin 26 BML  
127894 Texas Redhand  
U.S.

18 Phillips 0275340  
Mewbourne 054701  
U.S.

17 B.M. McKnight, et al Phillips St 70148  
Mobil 425 5/2  
Devon En Sterling Poun State

16 D.J. Schuff 9-1-2016 VB 2086 \$2,000.00  
Gulf Eddy St.  
U.S.

15 Westall O&G (Chesapeake) 1-28-2016  
James Marbach 7-13-2018  
A.M. Hesse, et al Osborne Est.

23 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

27 Maw Forward, et al Roy M. Forward Est.  
Guevara et al  
W. Lovace Tr. M.E. Phillips

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

24 Crown Oil, et al 2-1-2016 1,200.00  
Swearingin 26 BML  
127894 Texas Redhand  
U.S.

19 Phillips 0275340  
Mewbourne 054701  
U.S.

20 D.H. Arrington V-5865  
Texas Ind Expl Inc L 490  
Discovery Oper Sterling St.

21 Tex Ind Expl W. Yates, et al WC Disc  
Yates Sabine St "Mobil St" State  
103461 06-11-19

22 H.E. Yates Amoco St WC Disc  
NE Yates Amoco St WC Disc  
CAZA Op. Blanco Co. 3-1-2014  
Hand Rd VB-1059 250.00

23 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

24 Chase Oil 1-24-2018  
MRC Permian 6-18-2017  
U.S.

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

25 Swearingin 26 BML  
127894 Texas Redhand  
U.S.

29 Mewbourne 2-28-2018  
Featherstone 4-30-2016  
Pardue Farms Guittr, Tr. Est.

29 Devon 6-8-2016  
Abby Corp  
U.S.

26 C.J. Hamplon U. Forward et al  
Chevron U.S.A. 5-1-2014 112915 750.00  
Mack En Hollow

27 R.R. Hinkle 5-18-2016  
Chevron U.S.A. 5-1-2016 112915 750.00  
U.S.

26 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

25 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

36 Faulconer V-249  
U.S.

31 ConocoPhillips HBP 0275360  
U.S.

32 Desana 6-1-2016 112915 750.00  
Mewbourne Oil 11-1-2016 112915 750.00  
U.S.

33 Enfield Fed 10-25-2016 112915 750.00  
U.S.

34 Devon 12-1-2016 112915 750.00  
U.S.

35 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

36 Yates Pet, et al 7-22-2016 N/2  
Featherstone Dev 8-19-2016  
Yates Pet, et al 4-7-2019 MRC Permian 10-3-2018

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

37 Yates Pet Corp 3-31-2022 127888 \$1,600.00  
U.S.

38 JASOIS-Desana Amoco St  
U.S.

39 MRC Permian 4-30-2016  
U.S.

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

12 Texas Redhand HBP 065421  
U.S.

7 Legend Nat Gas 1-1-2018 V-8890  
U.S.

8 MRC Permian 4-30-2016  
U.S.

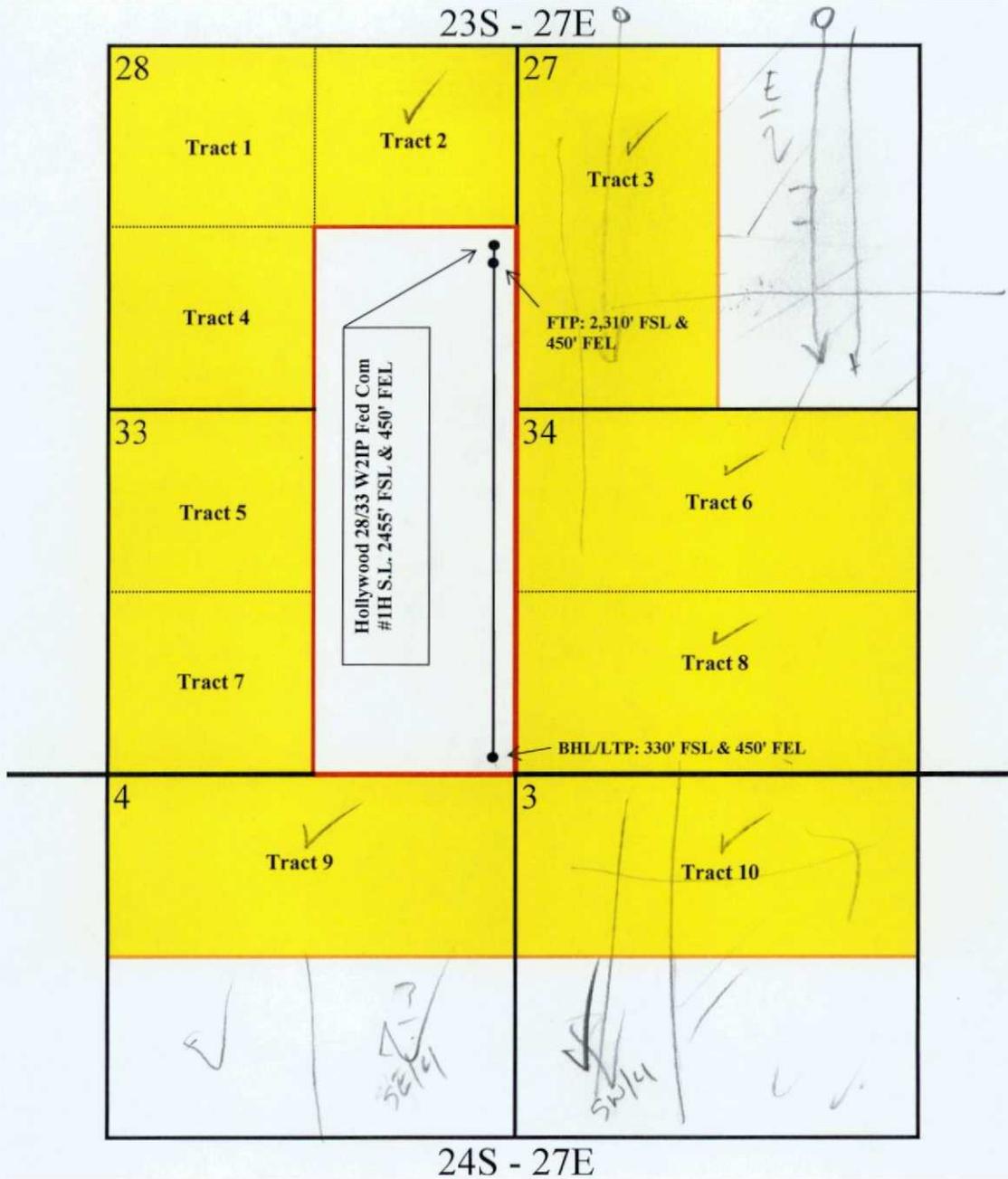
19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.

12 Texas Redhand HBP 065421  
U.S.

7 Legend Nat Gas 1-1-2018 V-8890  
U.S.

8 MRC Permian 4-30-2016  
U.S.

19 Read & Stevens HBC W/2  
MRC Permian 9-25-2018  
U.S.



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

**Mewbourne Oil Company**  
**Application for Unorthodox Well Location and Non- Standard Proration Unit**  
**Hollywood 28/33 W2IP Federal Com #1H**  
**Affected Offset Acreage**

MEWBOURNE NSL-7470  
NSP-2053

Hollywood 28/33W21P Fed  
LOWE (PETROLEUM ENGINEER FOR OCD) SIGN OUT HELP COM No.1

### OCD Permitting

Home Land Searches Land Details

### Section : 33-23S-27E

Type: Normal

Total Acres: 640

County: Eddy (15)

320 Acres

P<sub>2</sub>

API # 015-43720

D (D) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	C (C) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	B (B) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	A (A) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40
E (E) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	F (F) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	G (G) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	H (H) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40
L (L) State <sup>1</sup> State <sup>2</sup> (15) 40	K (K) State <sup>1</sup> State <sup>2</sup> (15) 40	J (J) State <sup>1</sup> State <sup>2</sup> (15) 40	I (I) State <sup>1</sup> State <sup>2</sup> (15) 40
M (M) State <sup>1</sup> State <sup>2</sup> (15) 40	N (N) State <sup>1</sup> State <sup>2</sup> (15) 40	O (O) State <sup>1</sup> State <sup>2</sup> (15) 40	P (P) State <sup>1</sup> State <sup>2</sup> (15) 40

sec 27

Note<sup>1</sup> = Surface Owner Rights  
Note<sup>2</sup> = Sub-Surface Mineral Rights

#### Land Restrictions

No land restrictions found for this section.

Return to Search

? ?

### OCD Permitting

Home Land Searches Land Details

### Section : 28-23S-27E

Type: Normal

Total Acres: 640

County: Eddy (15)

P.

D (D) State <sup>1</sup> State <sup>2</sup> (15) 40	C (C) State <sup>1</sup> State <sup>2</sup> (15) 40	B (B) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	A (A) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	?
E (E) State <sup>1</sup> State <sup>2</sup> (15) 40	F (F) State <sup>1</sup> State <sup>2</sup> (15) 40	G (G) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	H (H) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	
L (L) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	K (K) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	J (J) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	I (I) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	?
M (M) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	N (N) Federal <sup>1</sup> Federal <sup>2</sup> (15) 40	O (O) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	P (P) Fee <sup>1</sup> Fee <sup>2</sup> (15) 40	

Note<sup>1</sup> = Surface Owner Rights

Note<sup>2</sup> = Sub-Surface Mineral Rights

160 Acres

#### Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

Notice List

Mewbourne Oil Company

Application for Unorthodox Well Location and Non-Standard Proration Unit

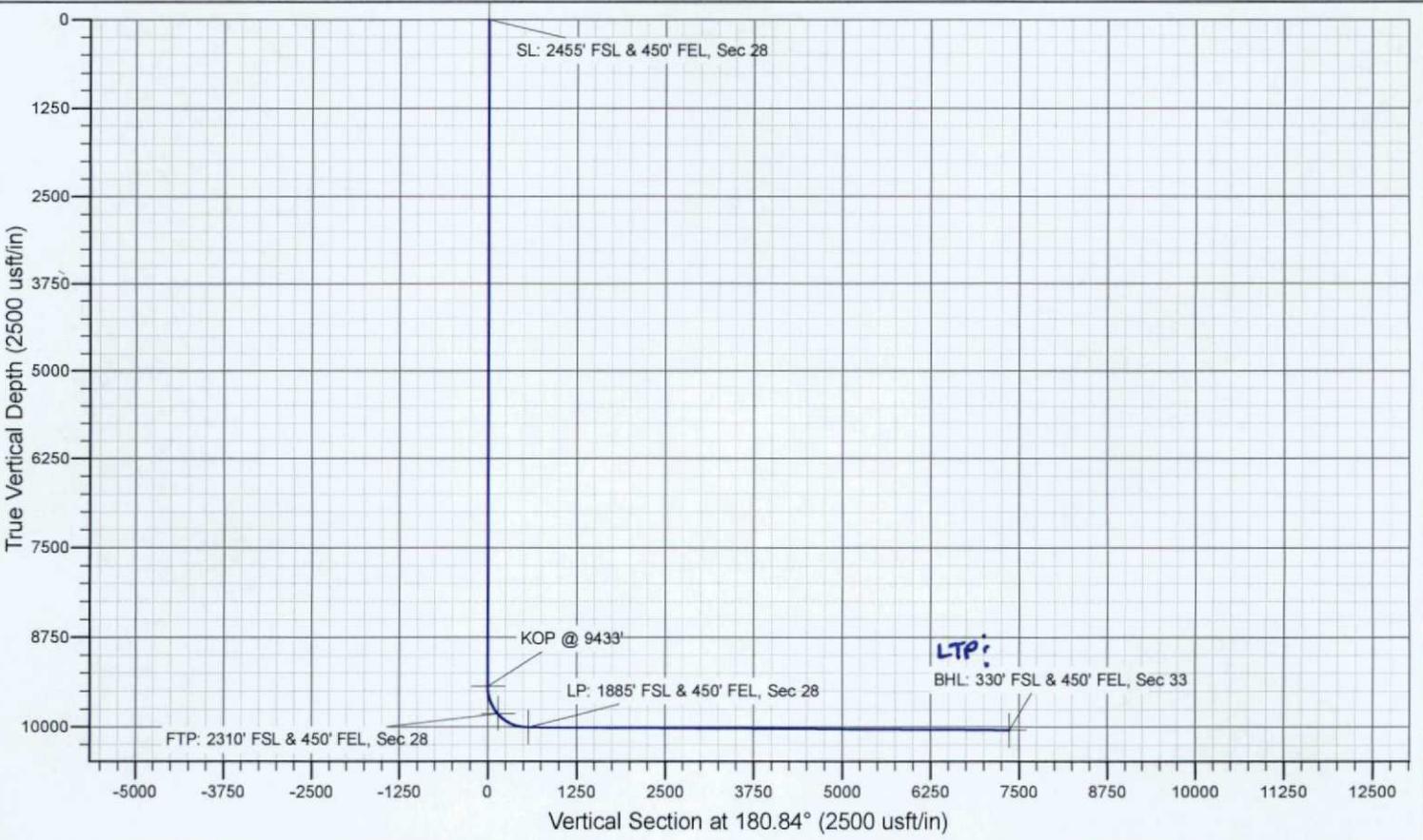
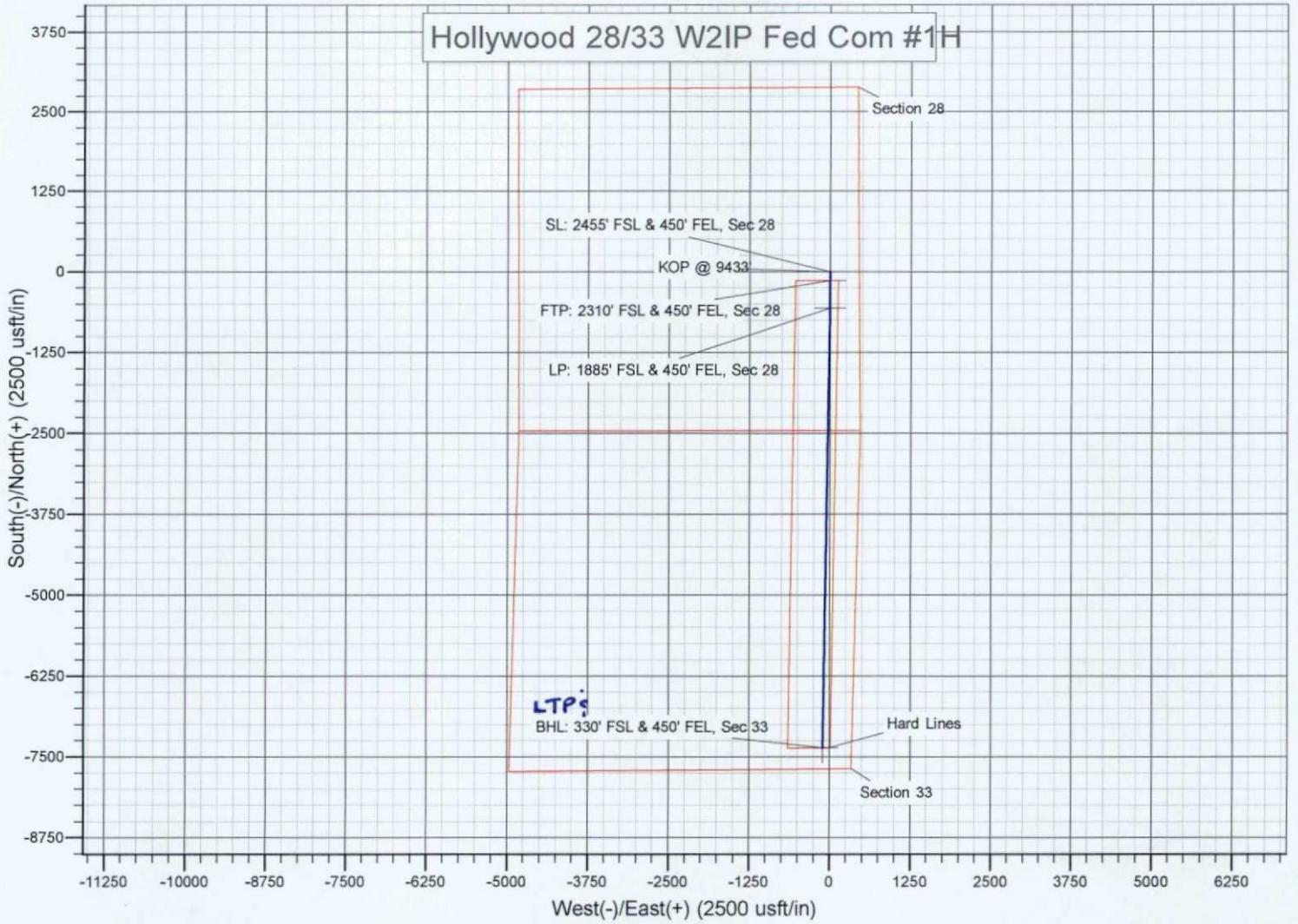
Hollywood 28/33 W2IP Federal Com No. 1H, Section 28 & 33 , T23S, R27E

Eddy County, New Mexico

<b>Owners Noticed</b>	<b>Tract Number</b>	<b>Certified Tracking Number</b>
Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102 Attn: Mr. Brandon Patrick	1, 7, 8 ✓	9414 8106 9994 5017 8778 47
Chevron U.S.A. Inc. P.O. Box 2100 Houston, Texas 77252 Attn: Ms. Amber Delach	4 & 6 ✓	9414 8106 9994 5017 8778 85
ConocoPhillips Company P.O. Box 2197 Houston, Texas 77252 Attn: Mrs. Katusha Robert	5	9414 8106 9994 5017 8779 22
COG Operating LLC 600 W. Illinois Avenue One Concho Center Midland, Texas 79701 Attn: Mrs. Rita Bures	5, 9, 10 ✓ ✓	9414 8106 9994 5017 8779 46
Crown Oil Partners V, LP P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson	2 ✓	9414 8106 9994 5017 8780 42
Crump Energy Partners II, LLC P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson	2 ✓	9414 8106 9994 5017 8780 42

<p>Nadel and Gussman Permian, LLC  P.O. Box 50820  Midland, Texas 79710  Attn: Mr. Caleb Hopson</p>	<p>✓  2</p>	<p>9414 8106 9994 5017 8780 42</p>
<p>MRC Permian LKE Company, LLC  One Lincoln Centre  5400 LBJ Freeway, Ste. 1500  Dallas, Texas 75240  Attn: Mr. Trey Goodwin</p>	<p>✓  2</p>	<p>8414 8106 9994 5017 8780 66</p>
<p>Caza Operating, LLC  200 N. Loraine, Ste. 1550  Midland, Texas 79701</p>	<p>✓  3</p>	<p>8414 8106 9994 5017 8780 80</p>
<p>NMOCD  811 S. First St.  Artesia, NM 88210</p>	<p>N/A</p>	<p>9414 8106 9994 5017 8781 41</p>

# Hollywood 28/33 W2IP Fed Com #1H



# MEWBOURNE OIL COMPANY

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

September 15, 2016

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Well Location  
and Non-Standard Proration Unit

Hollywood 28/33 W2IP Federal Com No. 1H (API No. 3001543893)

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Bottomhole Location: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)  
Proration Unit: SE/4 Section 28, T-23-S, R-27-E, NMPM, Eddy County, New Mexico  
and E/2 Section 33, T-23-S, R-27-E, NMPM, Eddy County, New Mexico  
Pool: Forehand Ranch Wolfcamp Gas Pool (76780)

Ladies and Gentlemen:

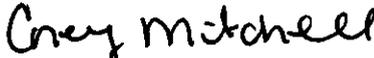
Enclosed please find a copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox gas well location and non-standard proration unit for its Hollywood 28/33 W2IP Fed Com #1H located at the surface, first take point, last take point and bottomhole locations described above. The well will test the Forehand Ranch Wolfcamp Gas Pool and will be dedicated to a non-standard 480-acre gas spacing and proration unit comprising the SE/4 Section 28, T-23-S, R-27-E, NMPM, Eddy County, New Mexico and E/2 Section 33, T-23-S, R-27-E, NMPM, Eddy County, New Mexico. The unorthodox location and non-standard proration unit are necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the SE/4 of Section 28 and E/2 of Section 33.

As the owner of an interest that may be affected by the proposed unorthodox gas well location and Non-Standard Proration Unit, 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 [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

  
Corey Mitchell  
Landman

Enclosure  
Xc: OCD-Artesia

Mewbourne Oil Company  
Corey Mitchell  
500 W Texas, STE 1020  
MIDLAND, TX 79701-4279

Hollywood 28 33 W2IP No  
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New Mexico Oil Conservation Division  
Attn: Leonard Lowe, Division Director  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225



**Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Tuesday, November 1, 2016 11:01 AM  
**To:** 'Corey Mitchell'  
**Cc:** Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; Holm, Anchor E.; Martin, Ed  
**Subject:** APPROVED NSL-7470; NSP-2053\_Hollywood 28 33 Federal Com 1H, Eddy County\_SEC 28/33 23S 27E

Mr. Cory Mitchell,

The following permit has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/Imaging/AEOrderCriteria.aspx>

**NSL-7470**

**NSP-2053**

Mewbourne Oil Company

API #: 30-015-43893

WELL: Hollywood 28 33 Federal Com 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

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