

DATE IN	SUSPENSE	ENGINEER <i>WJ</i>	LOGGED IN <i>5.5.10</i>	TYPE <i>DHC</i>	PTGW APP NO. <i>1012550032</i>
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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



*Mewbourne*  
*Long Draw 4N #1*

**ADMINISTRATIVE APPLICATION CHECKLIST** *30-015-37117*

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]

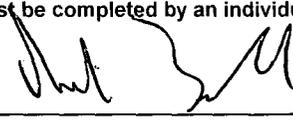
- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil 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.

Robin Terrell  SR Production Engineer 05/03/10  
 Print or Type Name Signature Title Date

rterrell@mewbourne.com  
 e-mail Address

MEWBOURNE OIL COMPANY  
PO BOX 5270  
HOBBS, NM 88240  
575-393-5905  
FAX 575-397-6252

RECEIVED OCD  
2010 MAY -5 P 1:19

May 3, 2010

Engineering Bureau  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Form C-107A  
Long Draw 4 N #1  
Downhole Commingle

To Whom It May Concern:

Please find enclosed the following for the application to downhole commingle production from the  
*Century Graphics* San Andres and North Seven Rivers Yeso zones in the referenced well:

Form C107A  
Attachments information  
Form C-102 for both zones  
Administrative Application Checklist

Mewbourne Oil Company would appreciate this commingle request being processed as soon as possible. If you need further information, please call me at (575) 390-4816.

Thank you,



Robin Terrell  
SR Production Engineer

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

District III  
1000 Rio Brazos Road, Artec, NM 87410

**APPLICATION FOR DOWNHOLE COMMINGLING**

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Mewbourne Oil Company PO Box 5270, Hobbs, NM 88240  
Operator Address

**DAC-4277**

Long Draw "4" N #1 Unit N - Sec 4, T20S, R25E Eddy  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 14744 Property Code API No. 30-015-37117 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<del>London</del> <sup>WILDCAT, EB &amp; SA OIL</sup> San Andres		<del>Seven Rivers</del> <sup>UNDES</sup> Yeso
Pool Code	11790		97565
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1381' - 2158'		2455' - 2922'
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	761 psi		1,063 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing		Isolated w/temp plug
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 04/25/10 Rates: 30 MCF 10 BO, 20 BW	Date: Rates:	Date: 02/20/10 Rates: 15 MCF 12 BO, 75 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 45 % Gas 66 %	Oil % Gas %	Oil 55 % Gas 33 %

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
  - Production curve for each zone for at least one year. (If not available, attach explanation.)
  - For zones with no production history, estimated production rates and supporting data.
  - Data to support allocation method or formula.
  - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
  - Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Sr Production Engineer DATE 05/03/10

TYPE OR PRINT NAME Robin Terrell TELEPHONE NO. (575) 393-5905

E-MAIL ADDRESS rterrell@mewbourne.com

MEWBOURNE OIL COMPANY  
Long Draw "4" N #1  
Unit Letter N, Sec 4 T20S R25E  
*Century Grouping* San Andres and ~~North~~ Seven Rivers Yeso  
Eddy Co., NM

**Attachments to C-107A**

- 1. C102 for each zone to be commingled showing its spacing unit & acreage dedication.**
- 2. Production curve for Yeso perfs (October 2009 through February 2010) & San Andres perfs (March 2010 through April 2010).**

North Seven Rivers Yeso (Current production 15 MCF 12 BO, 75 BW)

*Century Grouping San Andres* (30 MCF, 10 BO, 20 BW)

- 3. Notification list of working, royalty and overriding royalty interests for uncommon interest cases.**

No uncommon interests.

- 4. Additional statements and data to support commingle.**

Well is completed w/4 ½" csg thus making an isolated dual completion nearly impossible. Down hole commingling of the Yeso & San Andres will not reduce reserves from either pool & will enhance overall project economics.

**Lease: LONG DRAW 4 N #1**

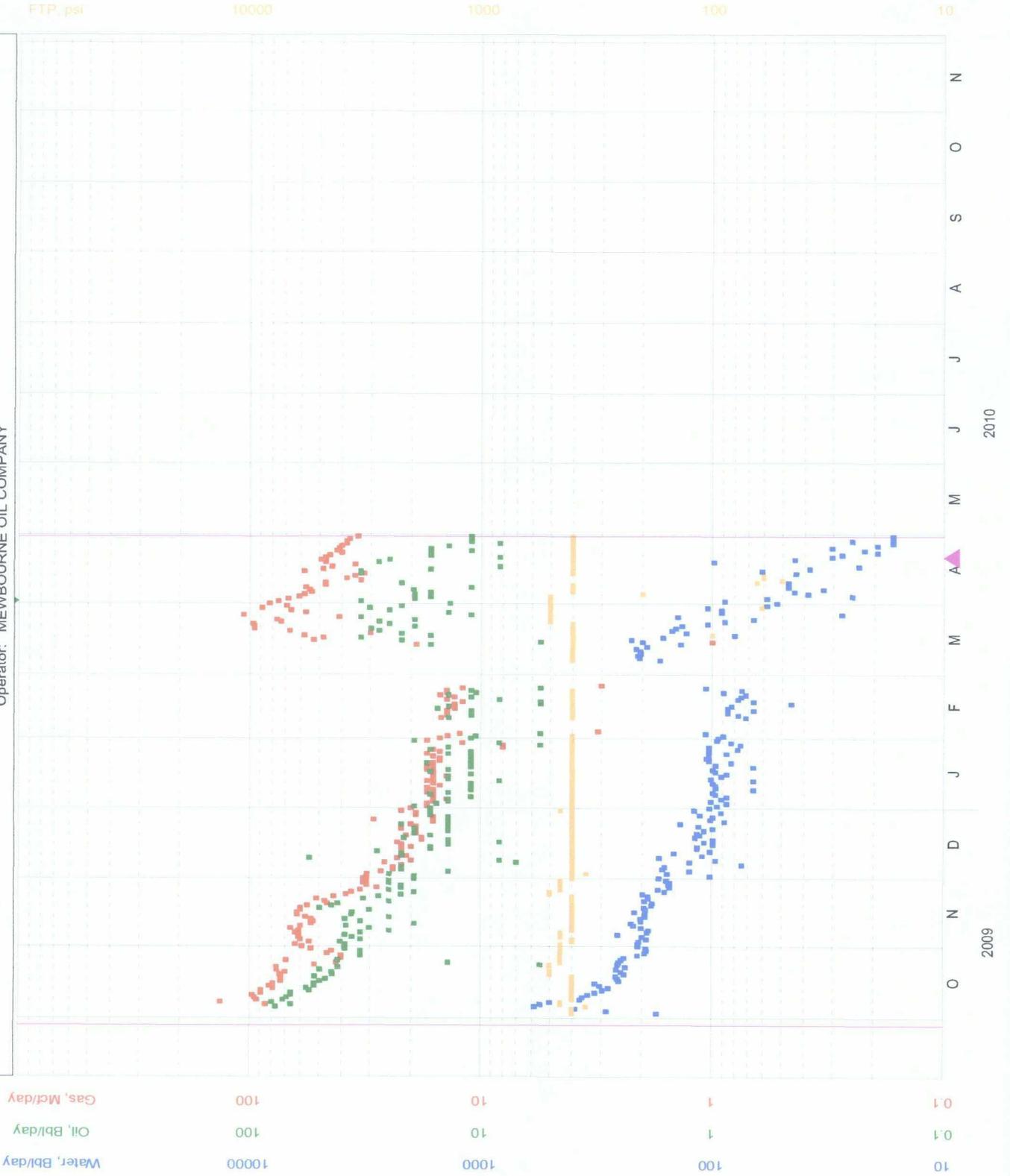
Location: 04-20S-25E  
 Reservoir: YESO  
 Field: SEVEN RIVERS NORTH  
 City, St: EDDY, NM  
 Operator: MEWBOURNE OIL COMPANY

Gas, Mcf/day  
 Ref= 4/2010  
 Cum= .5068

Oil, Bbl/day  
 Ref= 4/2010  
 Cum= 3754

Water, Bbl/d  
 Ref= 4/2010  
 Cum= 25729

FTP, psi  
 Ref= 4/2010  
 Cum= 67061



DISTRICT I  
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1501 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-37117	Pool Code 11790	Pool Name Cemetery Grayburg San Andres
Property Code	Property Name LONG DRAW "4N"	Well Number 1
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3488'

Surface Location

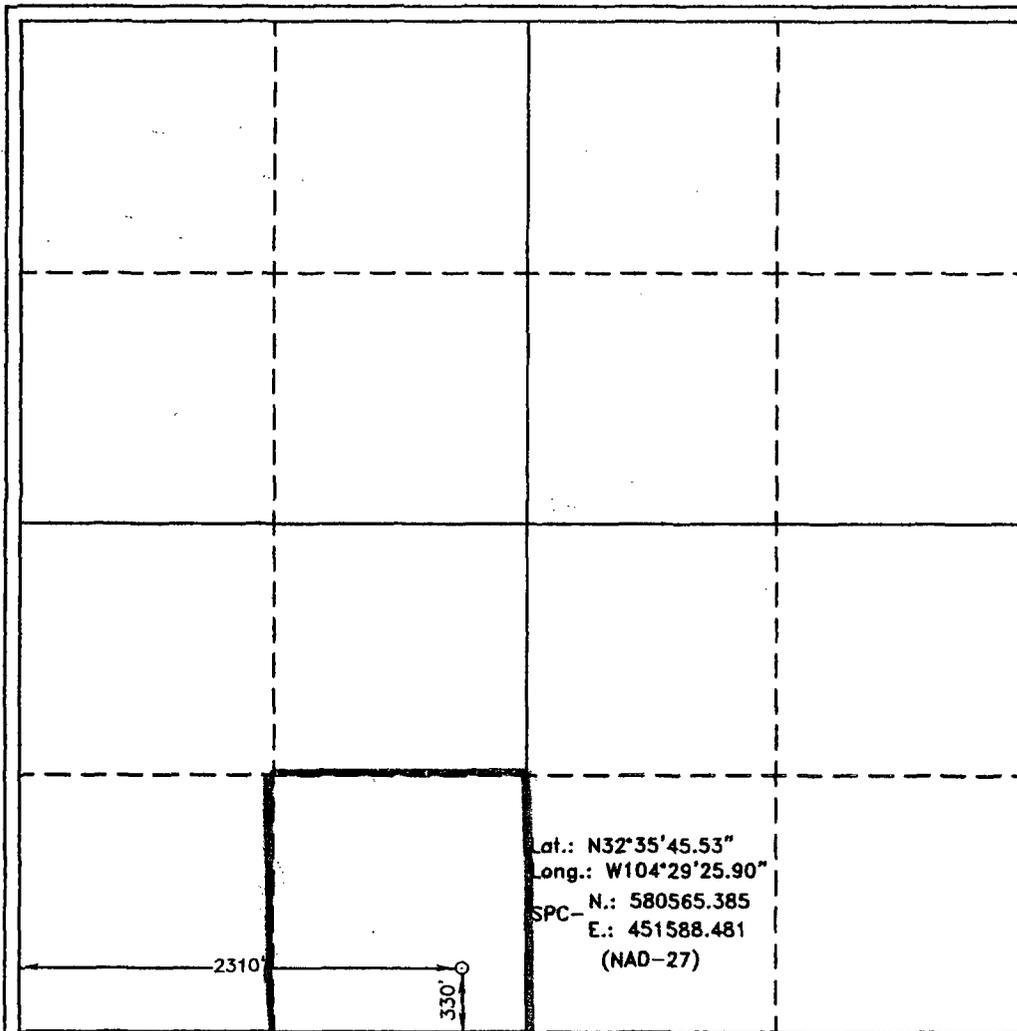
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	4	20 S	25 E		330	SOUTH	2310	WEST	EDDY

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE 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 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 2/1/09 Date

Printed Name: Jackie Lathan

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.

JANUARY 15, 2009

Date Surveyed: Gary L. Jones  
Signature of Surveyor: Gary L. Jones  
Professional Surveyor

W.O. Jones 24034

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2006

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-37117	Pool Code 11790	Pool Name North Seven Rivers Yes
Property Code	Property Name LONG DRAW "4N"	Well Number 1
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3488'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	4	20 S	25 E		330	SOUTH	2310	WEST	EDDY

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>Lat.: N32°35'45.53" Long.: W104°29'25.90" SPC- N.: 580565.385 E.: 451588.481 (NAD-27)</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>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 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.</p> <p>Jackie Lathan 2/1/10 Signature Date</p> <p>Jackie Lathan Printed Name</p>
		<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p>
		<p>JANUARY 15, 2009</p> <p>Date Surveyed</p> <p>Signature Gary L. Jones Professional Surveyor</p> <p>W.O. 2009</p>
		<p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>