



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Surface Commingling Order CTB-629
May 27, 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 **N. Seven Rivers; Glorieta Yeso Pool (97565)** from the following leases and wells all located within Section 4, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico:

Long Draw 4J Well No.1H (API No. 30-015-37585), SHL: Unit Letter J. BHL: Unit Letter L. Project Area and Oil Proration Unit: Unit Letters J, K & L
Portions of Federal Lease NMNM-14758

Long Draw 4 I Federal Well No. 1 (API No. 30-015-37202), Vertical well in Unit Letter P
40 acre Oil Spacing and Proration Unit
Portions of Federal Lease NMNM-14758

Fast Draw 4EH Federal Com Well No.1H (API No. 30-015-38636),
SHL: Unit Letter E. BHL: Unit Letter H. Project Area/Proration Unit: Unit Letters E, F, G, H
Portions of Federal Lease NMNM-14758, Fee lease(s) in Unit Letter G.

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. Alternately, as proposed and noticed by the applicant, oil and gas production rates from each well may be tested periodically by routing production through well test equipment before commingling with production from other wells for storage and 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 production sold) at a tank battery located in Unit Letter I, Section 4, Township 20 South, Range 25 East, NMPM, of Eddy County, New Mexico. Gas production shall be measured prior to leaving the battery and sold approximately 1 mile northwest of this location through a gas sales meter.

Before commencing surface commingling, the operator must obtain approval from the Bureau of Land Management (BLM) as directed in 19.15.12.10.C.(4)(h) NMAC. The operator shall notify the Artesia 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
Bureau of Land Management – Carlsbad