

DATE IN 5/9/02	SUSPENSE 5/29/02	ENGINEER MS	LOGGED IN W	TYPE NSL	APP NO 213540632
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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]

[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.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

Date

JAMES BRUCE
 P. O. BOX 1056
 SANTA FE, NM 87504

jamesbruce@aol.com
 e-mail Address

5/9/02

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

May 9, 2002

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Mewbourne Oil Company ("Mewbourne") applies for administrative approval of an unorthodox oil well location and an unorthodox gas well location for the following well:

Well: Fren "8" Fed. Com. Well No. 5
Location: 2276 feet FNL & 1471 feet FEL

Oil Unit: SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8

Gas Unit: E $\frac{1}{2}$ of Section 8

Township 18 South, Range 31 East, N.M.P.M.,
Eddy County, New Mexico

The well will be drilled to a depth sufficient to test the Atoka formation (Undesignated East Loco Hills/Atoka Gas Pool or Undesignated North Shugart-Atoka Gas Pool). However, Mewbourne also intends to test the Strawn formation. Based on the nearest Strawn pools, the Strawn formation will be an oil-bearing formation. Attached as Exhibit A is a Form C-102 for the well.

The application is based on topographic and geologic reasons. Attached as Exhibit B is a topographic map, which shows that an orthodox location 1980 feet FNL and 1650-1980 feet FEL is not available due to a number of pipelines in the area. The pipelines require that the location be moved south and east of an orthodox location.

Mewbourne wants to locate the well in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8 for geologic considerations. Attached as Exhibit C is an isopach of the Atoka sand, which shows that the optimum Atoka location is in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8. Moving the well to the north of an orthodox location will place the well in a thinner sand.

Attached as Exhibit D is a Strawn structure map. Again, the optimum Strawn structure is in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8. In fact, an orthodox location appears to be better than the proposed location, but that location is barred due to topographic reasons.

Attached as Exhibit E is a production plat. Please note that Mewbourne's Fren Fed. Com. Well No. 2 is a Morrow producer in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8. The proposed well will not test the Morrow. In addition, Mewbourne notes that the Atoka is not present in the No. 2 well (see Exhibit C), so there is no chance of two Atoka producers in the NE $\frac{1}{4}$ of Section 8.

Attached as Exhibit F is a land plat of Section 8. The entire NE $\frac{1}{4}$ of Section 8 is comprised of United States Lease NM 33437, and interest ownership therein is common as to the Strawn formation. Because the Strawn unorthodox location is interior to the lease, offset operators were not notified of this application as to the Strawn formation.

As to the Atoka formation, the entire E $\frac{1}{2}$ of Section 8 is governed by an operating agreement, and all working interest owners will share in production from that zone. In addition, royalty ownership is common in the E $\frac{1}{2}$ of Section 8 (federal), and because of 320 acre spacing, all overriding royalty owners will share in production from the Atoka formation. Therefore, no one was notified of this application as to the Atoka formation.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Mewbourne Oil Company

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name FREN "8" FEDERAL COM.	Well Number 5
OGRID No.	Operator Name MEWBOURNE OIL COMPANY	Elevation 3695

Surface Location

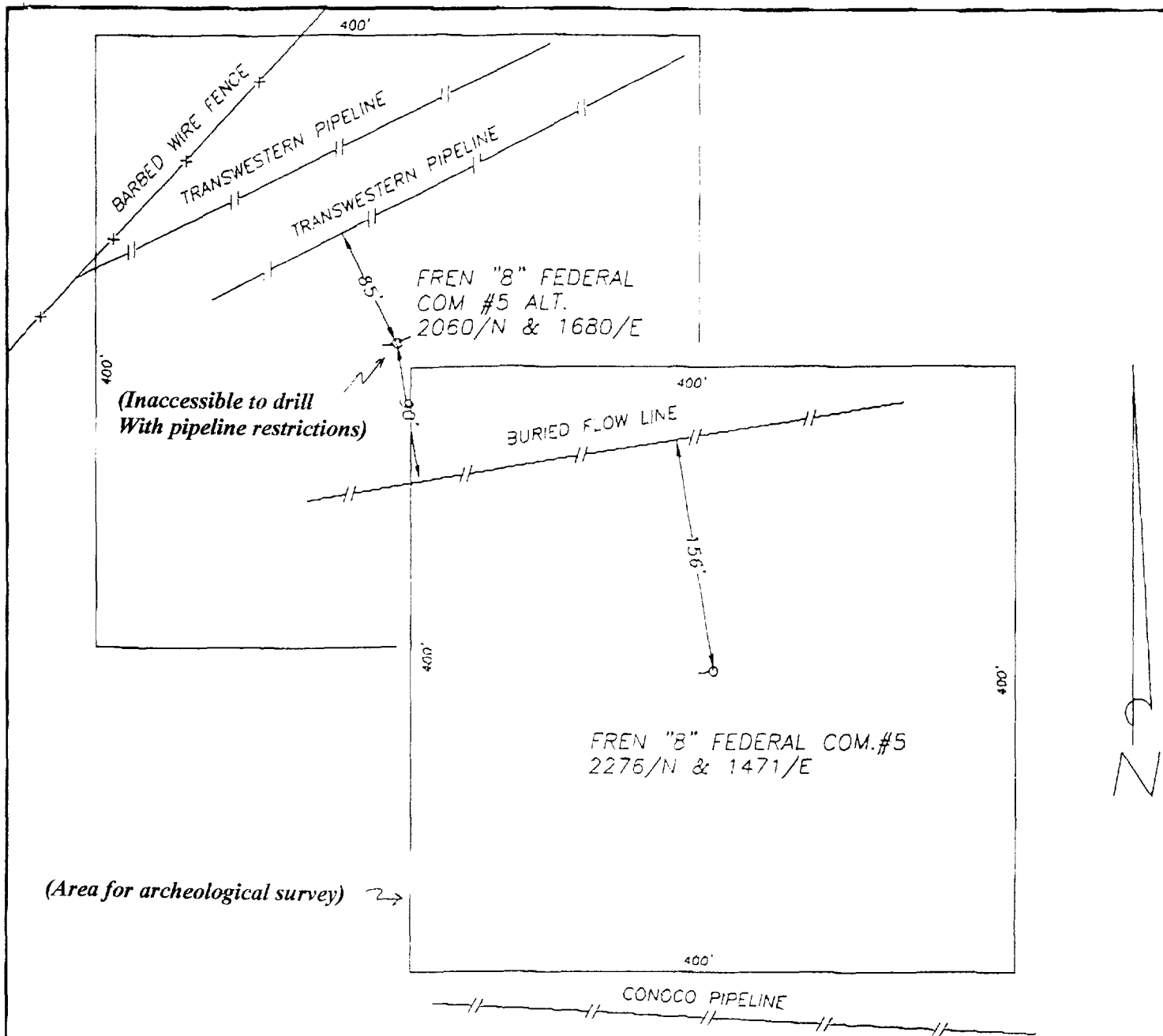
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	8	18S	31E		2276	NORTH	1471	EAST	EDDY

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	Joint or Infill	Consolidation Code	Order No.						
320									

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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p>Terry Burke</p> <p>Printed Name</p> <p>Drilling Foreman</p> <p>Title</p> <p>April 12, 2002</p> <p>Date</p>
	<p>SURVEYOR CERTIFICATION</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>3/06/2002</p> <p>Date Surveyed</p> <p></p> <p>Signature</p> <p>Professional Surveyor</p> <p></p> <p>Certificate No. H. Jones RLS 3640</p> <p>MODEREN J. JONES</p> <p>GENERAL SURVEYING COMPANY</p>
	<p>EXHIBIT</p> <p>A</p>
	<p>Burnberg No. 5208</p>



(Area for archeological survey) →



THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

[Signature]
HERSCHEL L. JONES R.L.S. No. 3640

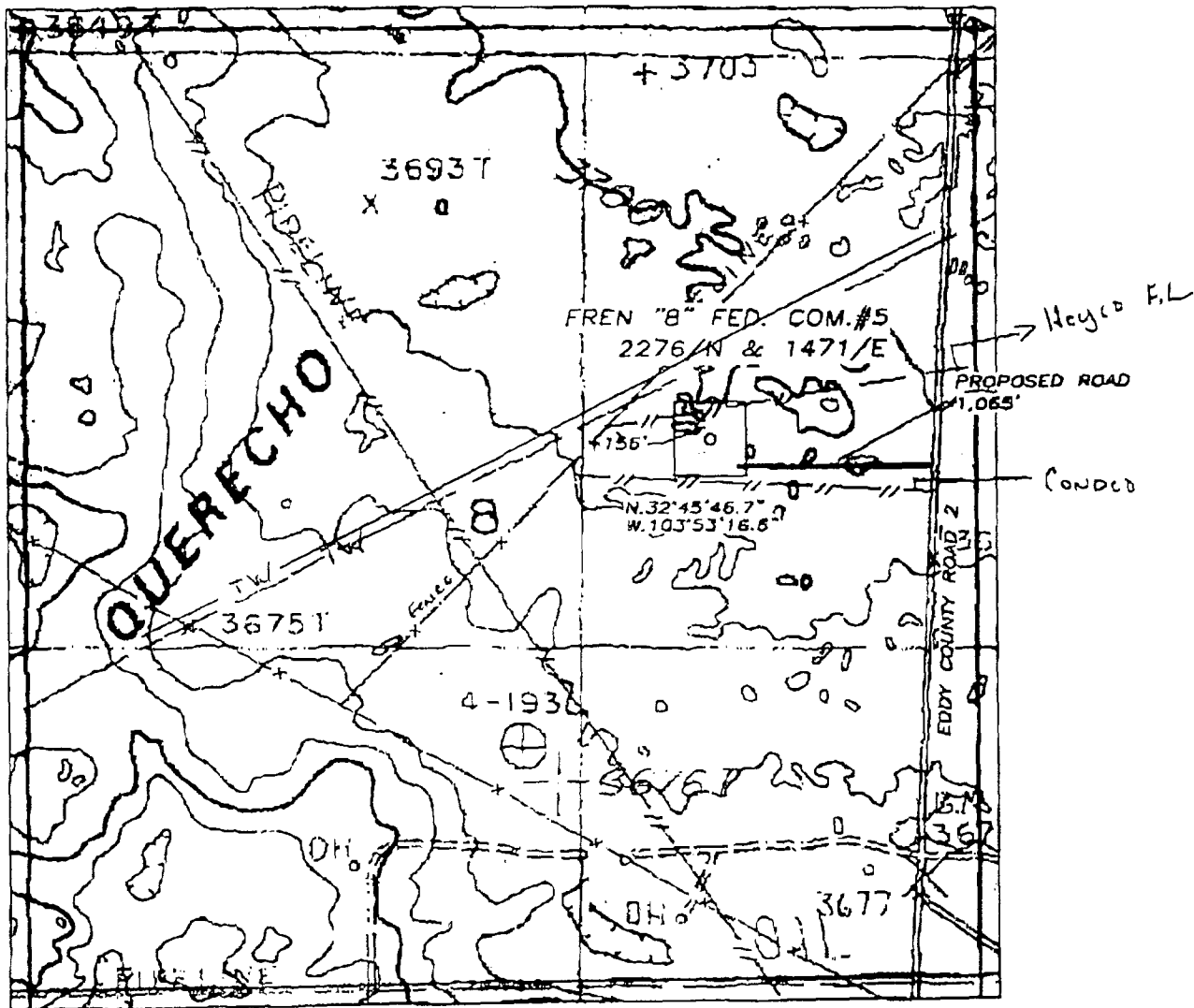
GENERAL SURVEYING COMPANY P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

MEWBOURNE OIL COMPANY

PLAT SHOWING PIPELINES AROUND THE FREN "8" FEDERAL COM. #5 WELLS LOCATED IN SECTION 8, TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

Survey Date: 5/07/2002	Sheet 1 of 1 Sheets
Drawn By: Ed Blewins	W.O. Number
Date: 5/07/02	Scale 1" = 100' FREN "8" #5

SECTION 8, TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM, EDDY COUNTY, NEW MEXICO.



1000' 0 1000' 2000'
Scale 1" = 1000'

THE PREPARATION OF THIS PLAN AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAN ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

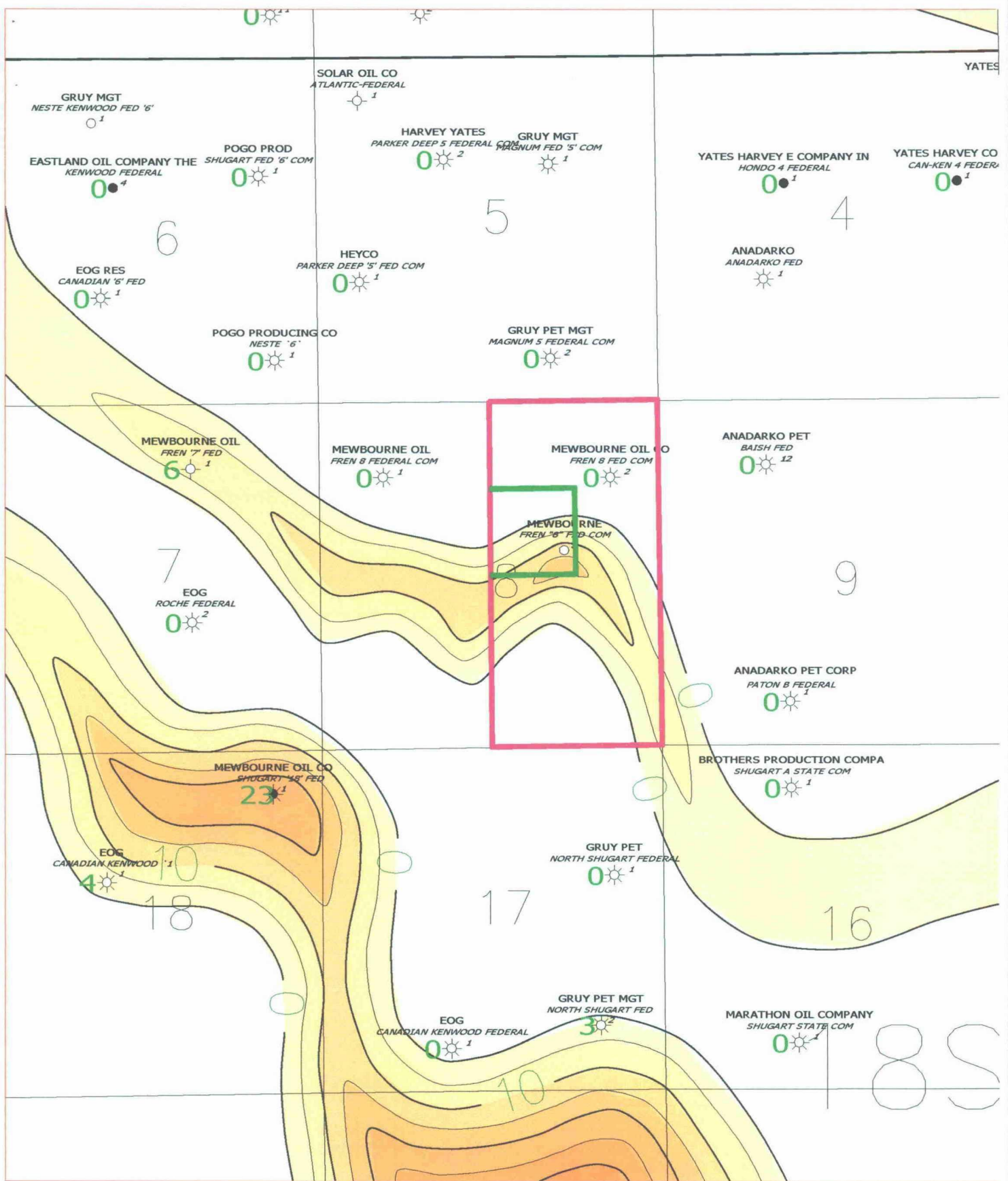
HERSCHEL L. JOHNS, P.E., S. No. 3640

GENERAL SURVEYING COMPANY P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

MEWBOURNE OIL COMPANY

MEWBOURNE FREN "B" FEDERAL COM. 3 WELLS
LOCATED IN SECTION 8, TOWNSHIP 18 SOUTH,
RANGE 31 EAST, NMPM, EDDY COUNTY, NEW
MEXICO.

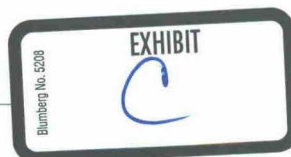
Survey Date: 3/08/2002	Sheet 1 of 1 Sheets
Drawn By: Ed Bluing	W.O. Number
Date: 3/07/02	Scale 1" = 1000' FREN "B"



Scale 1:24000.



Only wells greater than 11,000' shown



Mewbourne Oil Company		
Location Exception MOC Fren "8" Federal Com #5 Isopach Atoka Sand		
Ralph Nelson	0-5'	5/2/2002
Scale 1:24000.		

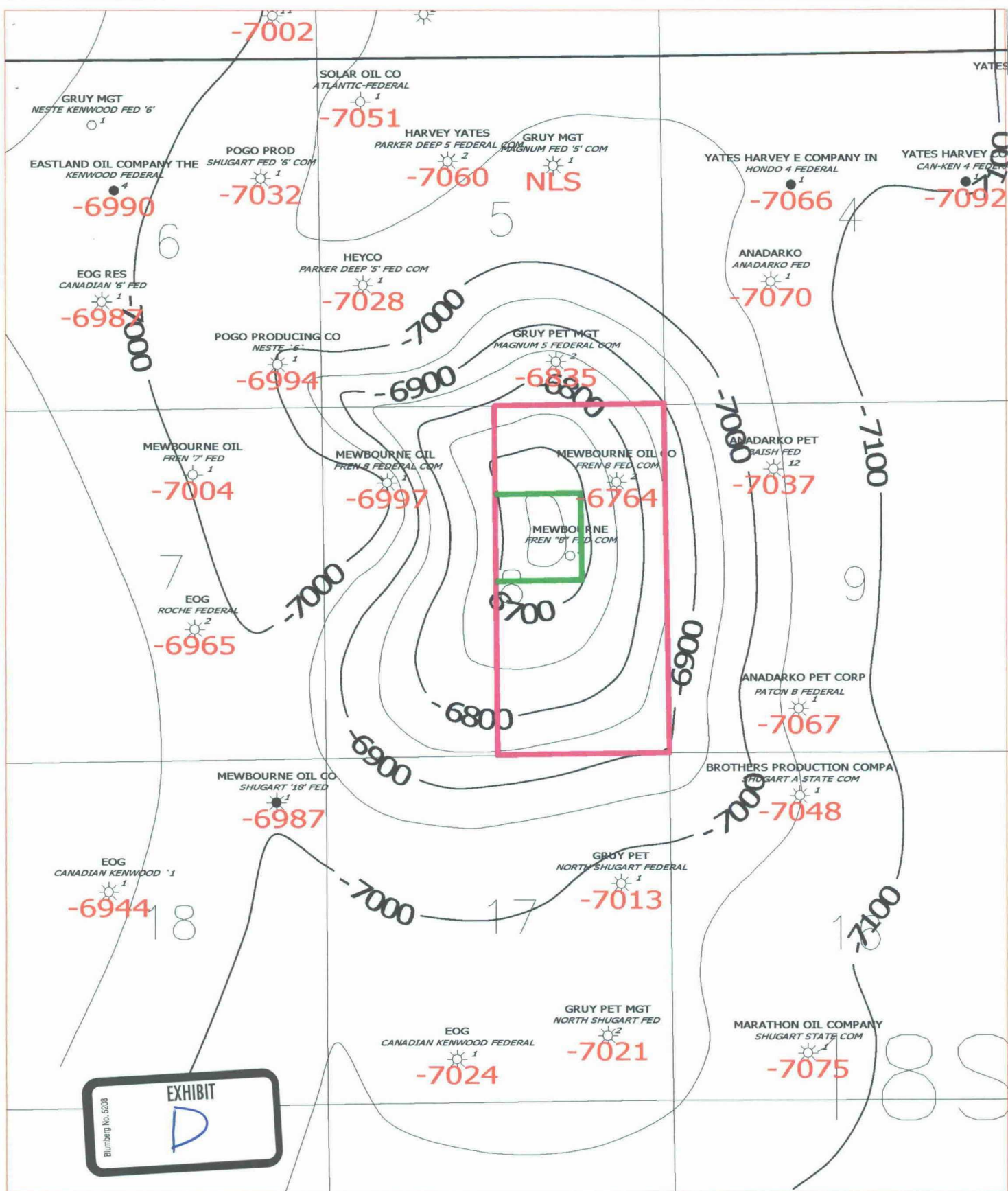


EXHIBIT
D

Scale 1:24000.



Only wells greater than 11,000' shown



Mewbourne Oil Company

Location Exception
MOC Fren "8" Federal Com #5
Structure Strawn Line

Ralph Nelson

01-50'

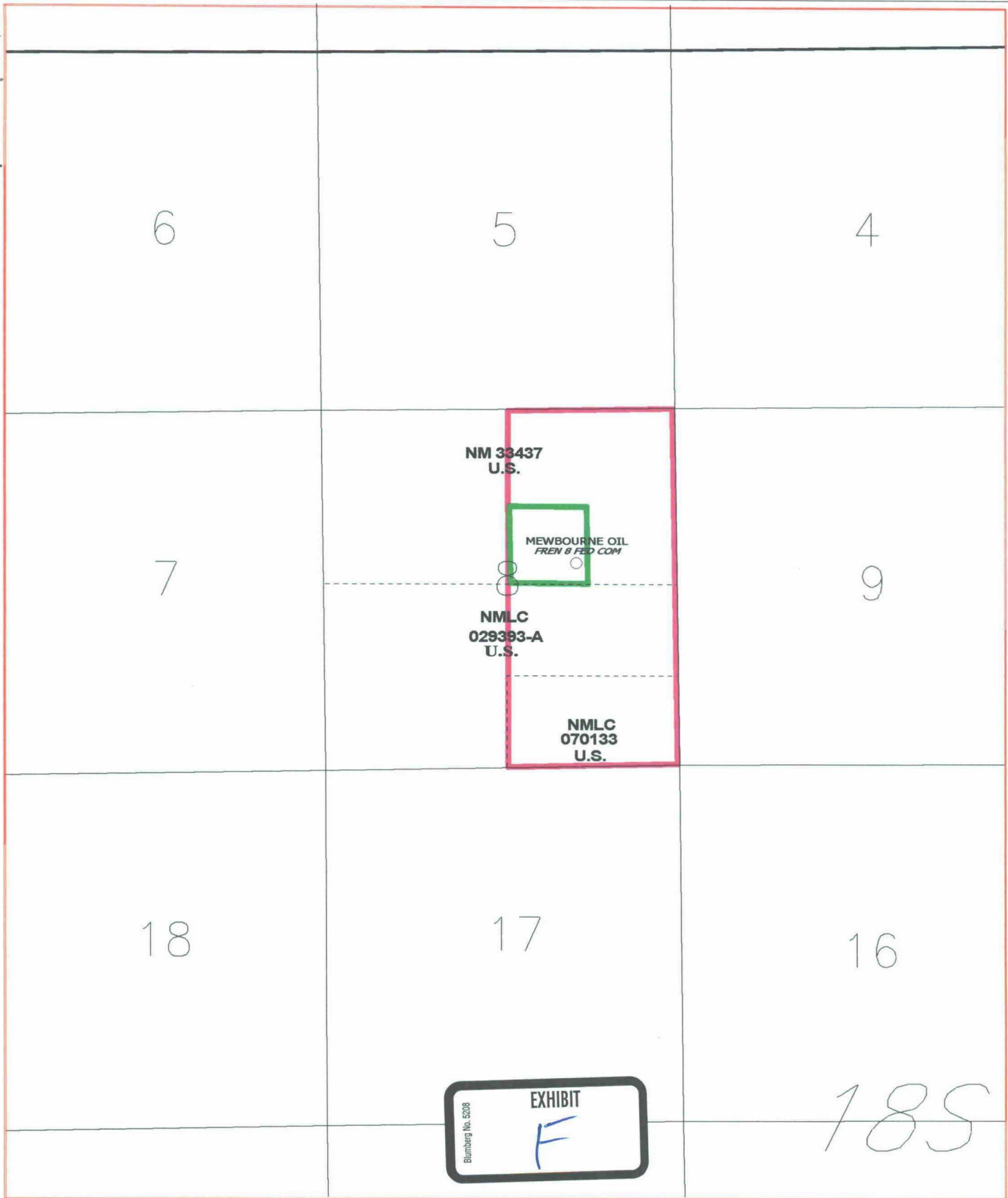
5/8/2002

Scale 1:24000.



320 ACRE PRORATION UNIT

185.31ESS.GPF



- 40 ACRE PRORATION UNIT
- 320 ACRE PRORATION UNIT

Mewbourne Oil Company		
Fren 8 Fed Com #5 - Location Exception Land Plat T18S, R31E, Sec. 8, Eddy County, NM		
Drawn By:		5/6/12
Scale: 1:24000		SECONDARY

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/29/02 17:50:56
OGOMES - TQH6
PAGE NO: 1

Sec : 08 Twp : 18S Rng : 31E Section Type : NORMAL

D 40.00 Federal owned A A	C 40.00 Federal owned A A	B 40.00 Federal owned A C	A 40.00 Federal owned A A
E 40.00 Federal owned A	F 40.00 Federal owned A	G 40.00 Federal owned A	H 40.00 Federal owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/29/02 17:51:09
OGOMES -TQH6
PAGE NO: 2

Sec : 08 Twp : 18S Rng : 31E Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned A	Federal owned A C	Federal owned A C	Federal owned
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned A	Federal owned U A A	Federal owned U A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

County Eddy Pool East Loco Hills - AtoKa Gas

TOWNSHIP 17 South Range 31 East NMPM

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

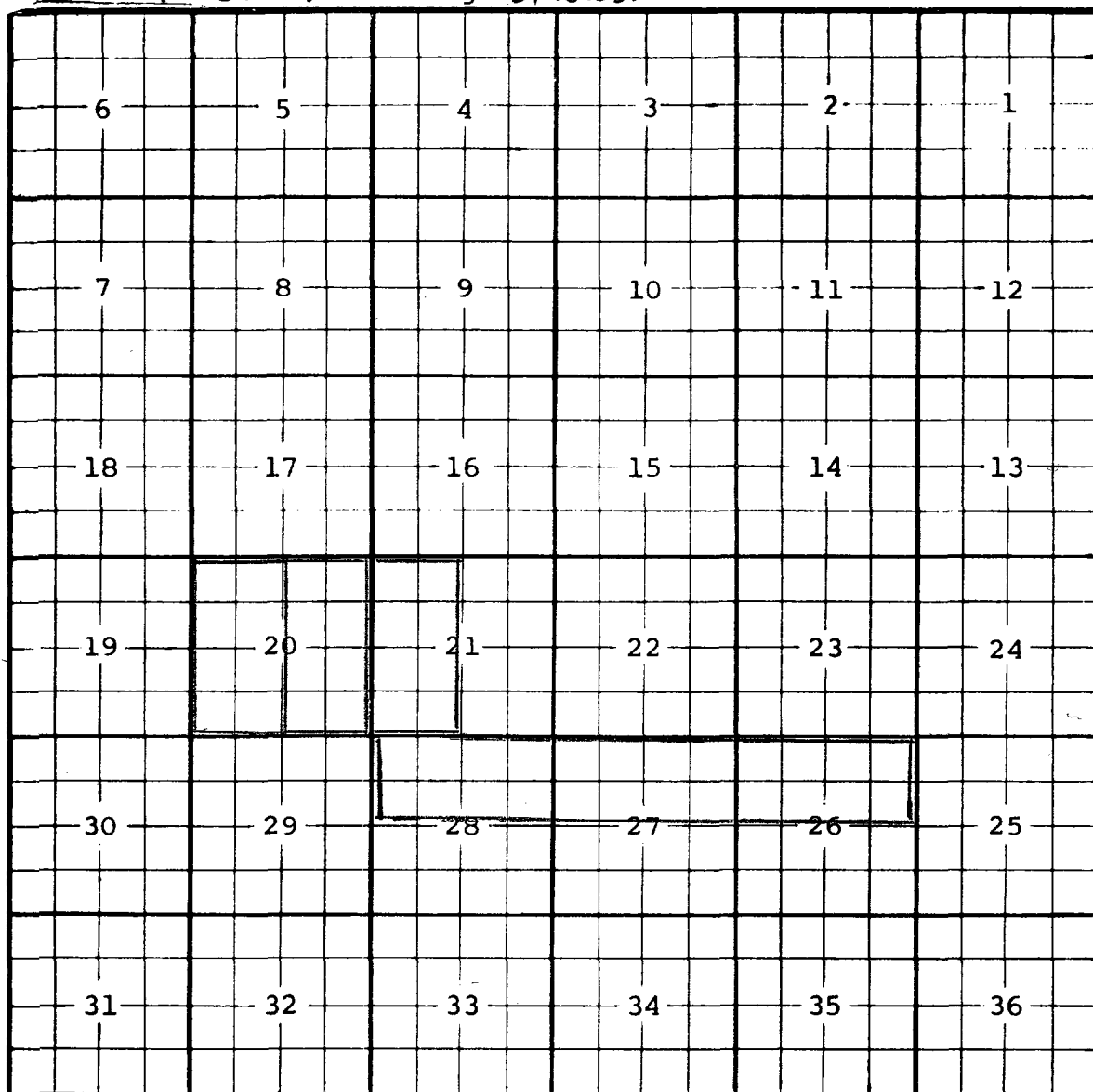
Description: W/2 Sec. 33 (R-10822, 6-16-87)

County Eddy Pool North Shugart - Atoka Gas

TOWNSHIP 18 South

Range 31 East

NMPM



Description: $\frac{E}{2}$ Sec 20 (R-5609, 1-1-78)

Ext: $\frac{W}{2}$ Sec 21 (R-5838, 11-1-78) Ext: $\frac{W}{2}$ Sec. 20 (R-6211, 12-31-79)

Ext: $\frac{N}{2}$ Sec. 26, $\frac{N}{2}$ Sec. 27, $\frac{N}{2}$ Sec. 28 (R-7158, 12-8-82)