

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 \_\_\_\_\_

RECEIVED  
 SEP 23 2002  
 10:00 AM  
 NEW MEXICO OIL CONSERVATION DIVISION

- [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 individual with managerial and/or supervisory capacity.

James Bruce	<i>James Bruce</i>	Attorney for Applicant	9/30/02
Print or Type Name	Signature	Title	Date
JAMES BRUCE		jamesbruc@aol.com	
P. O. BOX 1056		e-mail Address	
SANTA FE, NM 87504			

**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)

August 30, 2002

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 in the Strawn formation for the following well:

Well: ✓ Fren "8" Fed. Com. Well No. 5 (30-015-32349)  
Location: 676 feet FNL & 1381 feet FWL  
Unit: NE $\frac{1}{4}$ NW $\frac{1}{4}$  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). The well location is orthodox in the Atoka formation. 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.<sup>1</sup>

The application is based on topographic and geologic reasons. Attached as Exhibit B is a topographic map, which shows that there are pipelines, roads, and existing wells in the area, which restrict well locations.

Mewbourne also wants to locate the well at the proposed location for geologic considerations. Attached as Exhibit C is a Strawn structure map. An orthodox location appears to be better than an unorthodox location. However, Mewbourne has proprietary seismic data which indicates that this location is better than an orthodox

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<sup>1</sup>Please note that this well was originally numbered Well No. 6, but has been re-numbered as Well No. 5. Also, the original Fren "8" Fed. Com. Well No. 5, in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 8, has been re-numbered as Well No. 3.

location.

Mewbourne's Fren "8" Fed. Com. Well No. 1, in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 8, is a Morrow producer. The Atoka was not productive in the No. 1 well, and thus there should be no issue of simultaneous dedication. However, Mewbourne recognizes that there cannot be two Atoka wells in the same quarter section.

Attached as Exhibit D is a land plat of Section 8. The entire N $\frac{1}{2}$  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. In addition, the W $\frac{1}{2}$  of Section 8 is governed by an operating agreement, and all working interest owners will share in production from the Strawn as well as the Atoka.

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 typed name.

James Bruce

Attorney for Mewbourne Oil Company

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1009 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

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
		Und. Atoka
Property Code	Property Name	Well Number
	FREN "8" FEDERAL COM.	6
OGRID No.	Operator Name	Elevation
	MEWBOURNE OIL COMPANY	3695

Surface Location

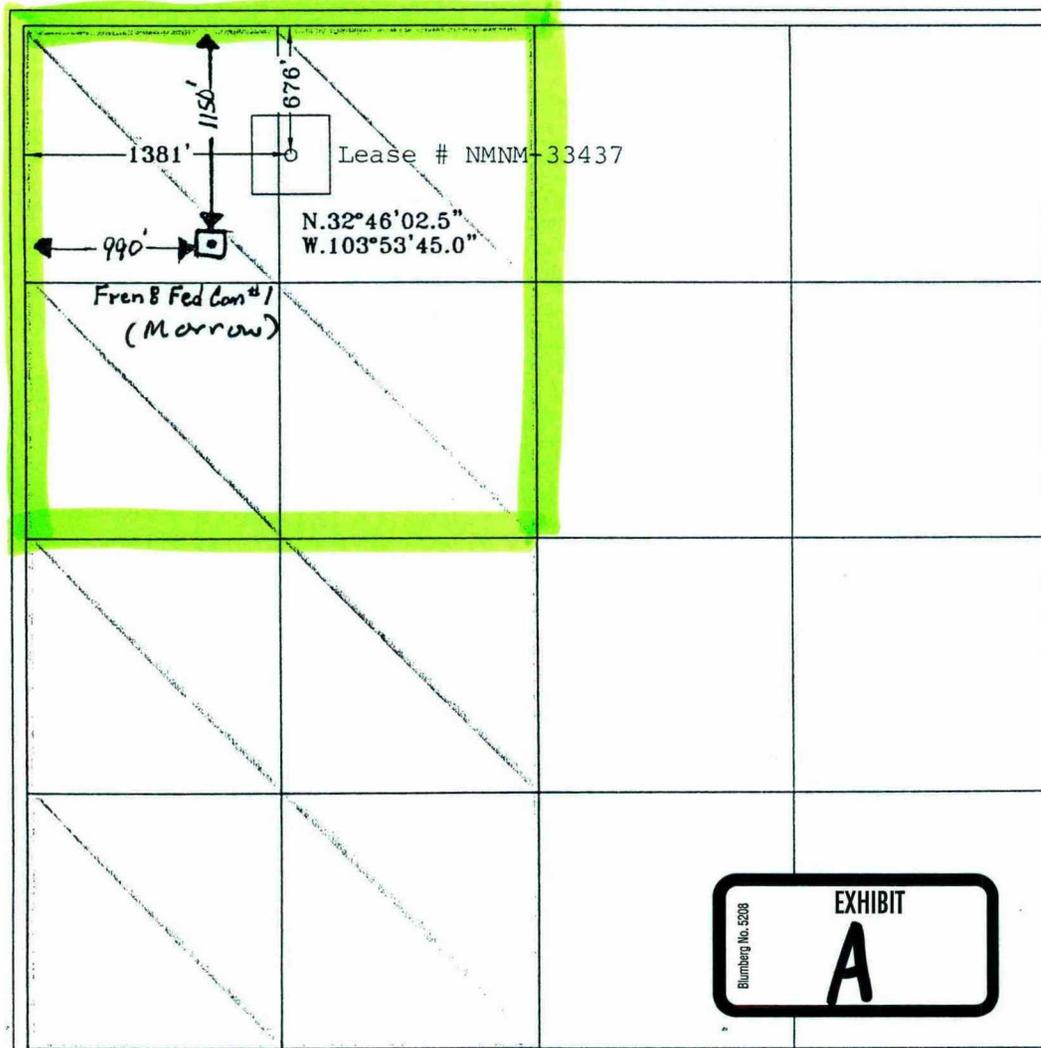
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	8	18S	31E		676	NORTH	1381	WEST	EDDY

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	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



OPERATOR CERTIFICATION

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

*Terry Burke*  
Signature

Terry Burke  
Printed Name

Drilling Foreman  
Title

May 15, 2002  
Date

Date

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.

3/06/2002

Date Surveyed

Signature & Seal of Professional Surveyor

*Herschel Jones*  
Certificate No. Herschel Jones RLS 3640  
NEW MEXICO PROFESSIONAL SURVEYOR  
3640  
MOORE, FRENCH AND JONES  
GENERAL SURVEYING COMPANY



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

5. Lease Designation and Serial No.

NMNM 33437

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Fren 8 Federal Com #6

9. API Well No.

10. Field and Pool, or Exploratory Area

North Shugart Atoka

11. County or Parish, State

Eddy, N.M.

*SUBMIT IN TRIPLICATE*

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Mewbourne Oil Company

3. Address and Telephone No.

PO Box 5270, Hobbs, N.M. 88241 (505) 393-5905

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

676' FNL & 1381' FWL Unit Letter 'C'  
Sec. 8 T-18S R-31E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Name Change  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Mewbourne Oil Company has applied for an APD for the Fren 8 Fed Com #6. That application was sent in on May 15, 2002. Mewbourne Oil Company would like to change the above captioned well name from the Fren 8 Federal Comm #6 to the Fren 8 Federal Com #5.

If any questions, please contact me @ 505-393-5905.

14. I hereby certify that the foregoing is true and correct

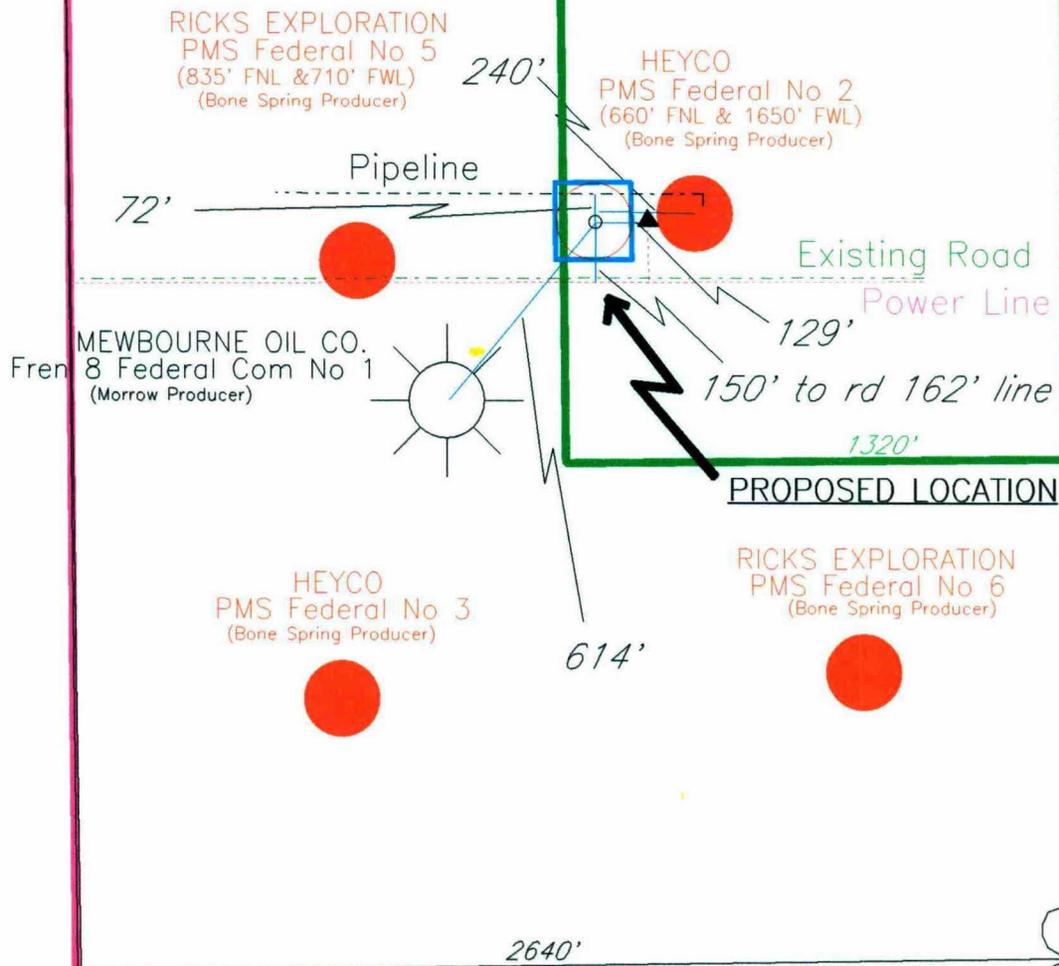
Signed *N.M. Young* Title N.M. Young District Manager Date 06/06/02

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any: \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side



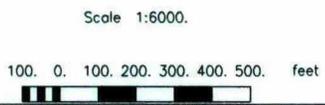
**NW/4 SECTION 8**

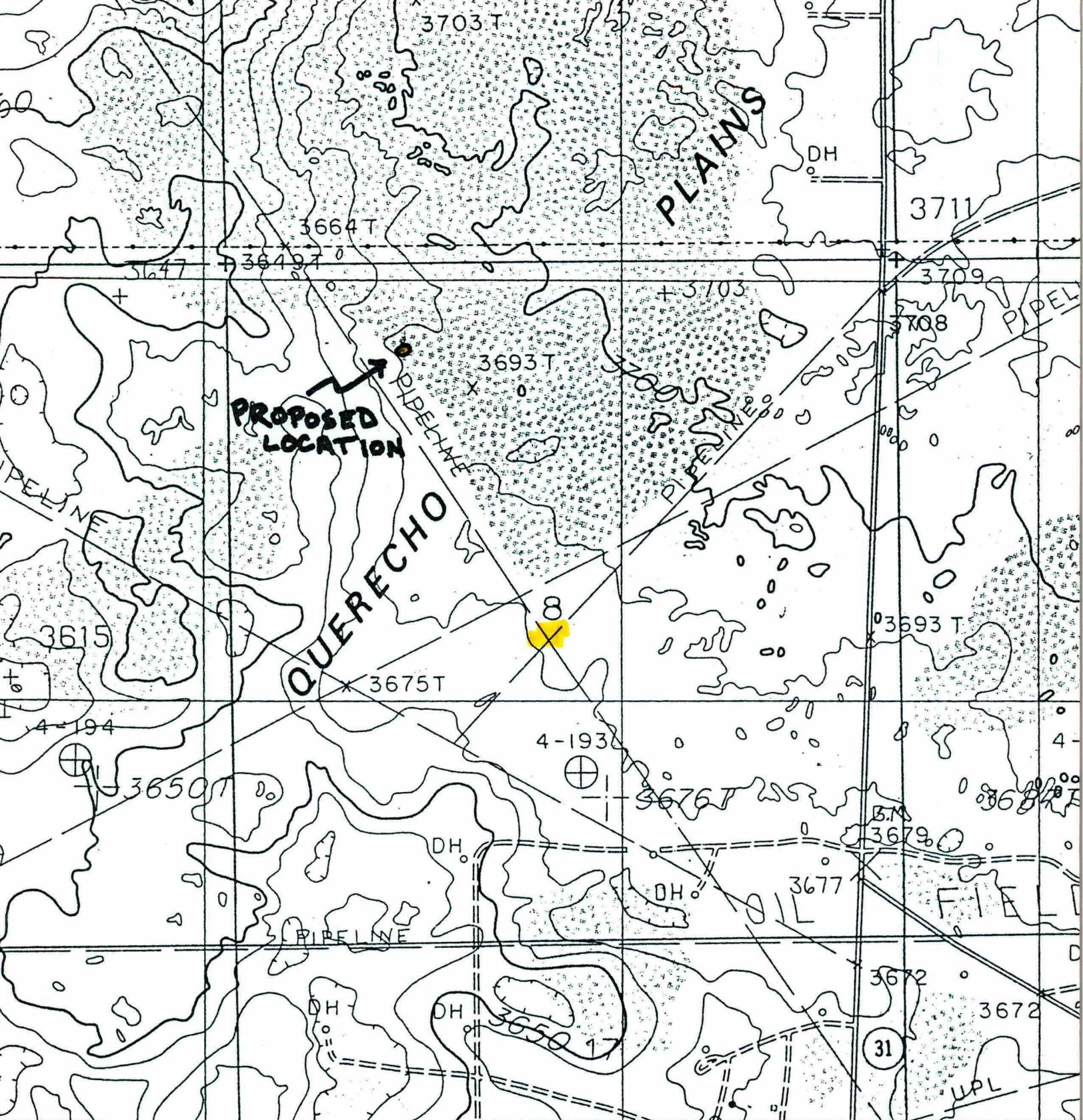
- 40 ACRE PRORATION UNIT
- 320 ACRE PRORATION UNIT
- Pad for Proposed Location
- ▲ Powerline Pole
- Proposed Location  
(676' FNL & 1381' FWL)

(pipeline, powerline, and road as identified / measured in field)

LEGEND	
●	All Wells
○	Wells TD > Greater 9000'

Mewbourne Oil Company		
Fren 8 Fed Com #5 Surface Layout Plat T18S, R31E, Eddy County, NM		
B Insolaco		6/12/2002
Location Exception	Scale 1:6000.	





**PROPOSED  
LOCATION**

**QUERECHO**

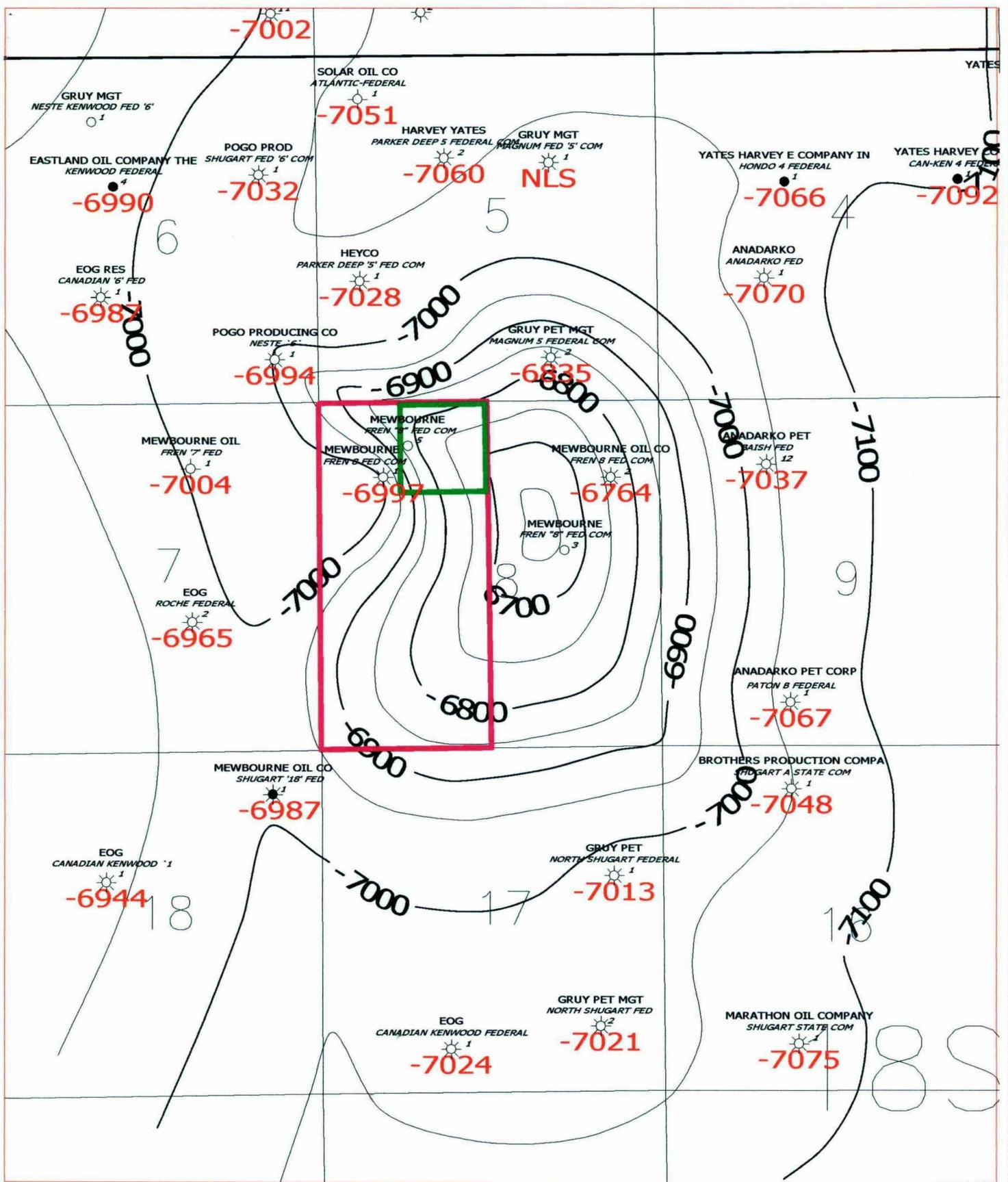
**PLAINS**

8

31



Mewbourne Oil Company		
Fren 8 Fed Com #5 Eddy County, New Mexico Topographic Plat		
D. Vaden		5/23/2002
Scale 1:1000		



Scale 1:24000.



Only wells greater than 11,000' shown



Mewbourne Oil Company		
Location Exception MOC Fren "8" Federal Com #5 Structure Strawn Lime		
Ralph Nelson	01-507	5/23/2002
Scale 1:24000.		

6

5

4

7

8

9

18

17

16

185

MEWBOURNE  
FREN 8 FEDERAL  
NM 33437  
U.S.

NMLC  
029893-A  
U.S.

NMLC  
070133  
U.S.



 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

Dana Vaden

5/23/02

Scale 1:24000

SECLAND.GPF

Blumberg No. 5208

EXHIBIT

D



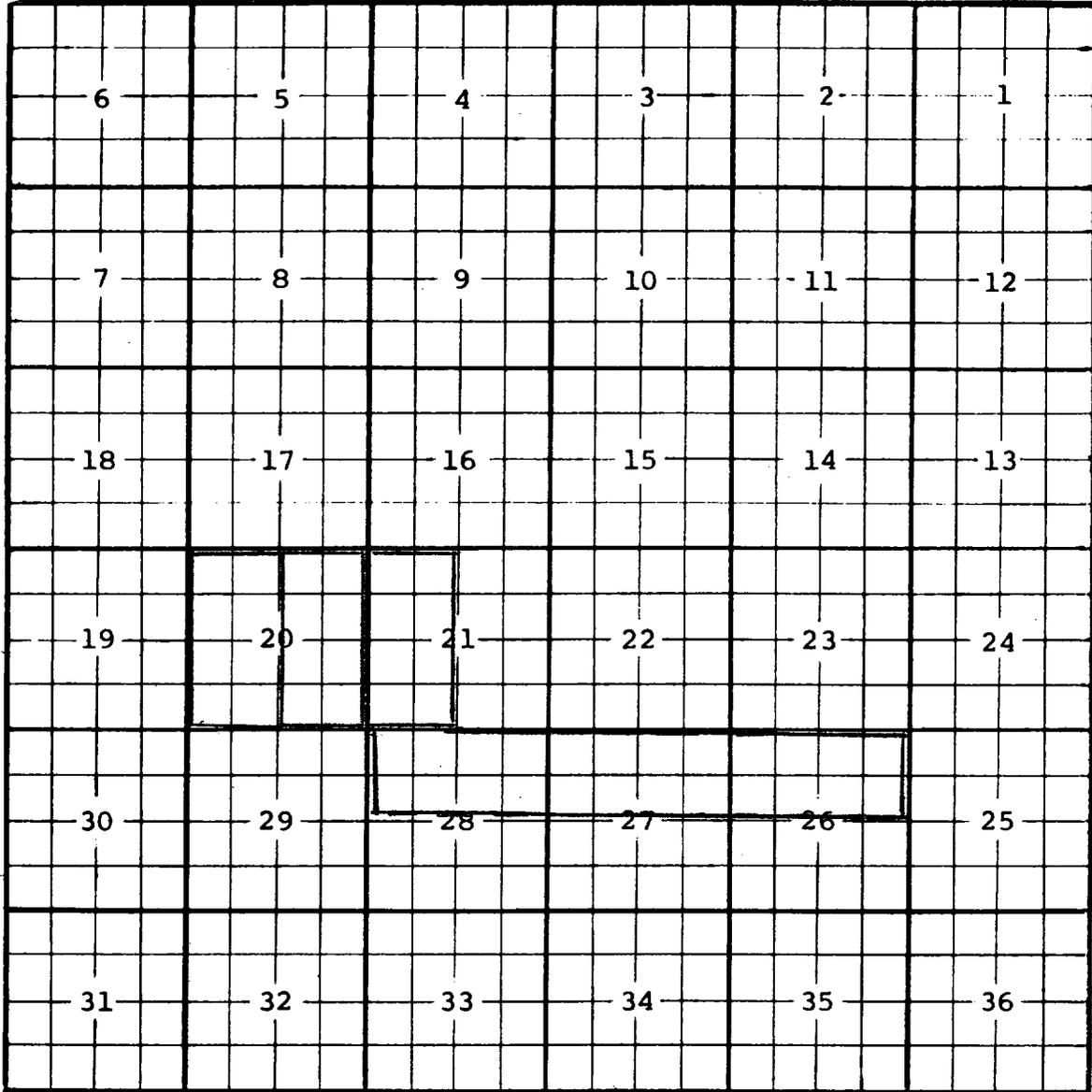
County Eddy

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)



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**BETTY RIVERA**  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

May 30, 2002

**Mewbourne Oil Company**  
c/o James Bruce  
P. O. Box 1056  
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

*Administrative Order NSL-4740*

Dear Mr. Bruce:

Reference is made to your application dated May 9, 2002 (*application reference No. pKRV0-213540632*) on behalf of the operator Mewbourne Oil Company ("Mewbourne"), for an: (i) unorthodox wildcat Strawn oil well location; and (ii) unorthodox Atoka gas well location in either the Undesignated North Shugart-Atoka Gas Pool (85290) or Undesignated East Loco Hills-Atoka Gas Pool (96702), for its proposed Fren "8" Federal Com. Well No. 5 to be drilled 2276 feet from the North line and 1471 feet from the East line (Unit G) of Section 8, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

The SW/4 NE/4 (Unit G) of Section 8, being a standard 40-acre oil spacing and proration unit for wildcat Strawn oil production, and the E/2 of Section 8, being a standard 320-acre stand-up gas spacing and proration unit within either Atoka gas pool, are to be dedicated to this well.

Your application submitted on behalf of Mewbourne has been duly filed under the provisions of New Mexico Oil Conservation Division ("Division") Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that Mewbourne seeks this location exception for both topographical and geological reasons.

It is further understood that the NE/4 of Section 8 is a single federal lease (U. S. Government Lease No. NM-33437) with common ownership in which Mewbourne is the leasehold operator; therefore, there are no adversely effected offsets to the subject 40-acre tract within the Strawn interval.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Strawn wildcat oil well location and Atoka gas well location for Mewbourne's proposed Fren "8" Federal Com. Well No. 5 is hereby approved.

Administrative Order NSL-4740

Mewbourne Oil Company

May 30, 2002

Page 2

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Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery / LME".

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
U. S. Bureau of Land Management - Carlsbad