

MEWBOURNE OIL COMPANY
4801 Business Park Blvd
Hobbs, NM 88240
575-393-5905
March 29, 2023

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

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

Commissioner of Public Lands
Attn: Commingle Manager
PO Box 1148
Santa Fe, NM 87504-1148

RE: Application for State Lease Commingle

To: Whom It May Concern

Mewbourne Oil Company ("Mewbourne") is requesting permission to surface commingle production from eight wells (Bourbon Red 11/12 B3LI, B3MP, B2LI, B2MP, B3DA, B3EH, B2DA, & B2EH) located on State leases X006480156; E010510008; OG0270004; E043970008; E043970007; OG07840001; which comprise portions of section 11 & 12, T19S, R28E, Eddy County, New Mexico. All oil and gas production from each well is to be stored in a central tank battery and common gas meter located in the SWSW of said section 11, T19S, R28E. Information detailing each well is attached.

Please find the following enclosed:

- Cover Letter
- Commingle Summary Page
- Form C102 of wells & battery
- Detailed Maps: lease boundaries & facility locations
- Application Checklist
- Form C-107B
- Copy of letter sent certified to all involved parties
- List of all involved parties

Signed: Chad Cole
Printed Name: Chad Cole
Title: Regulatory Specialist
Date: 3/29/2023

APPLICATION FOR LEASE COMMINGLING, CENTRAL TANK BATTERY (CTB)**Commingling procedure for Bourbon Red leases:**

Mewbourne Oil Company is requesting approval for lease commingling production from 8 wells located on State leases below in a Central Tank Battery "CTB":

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2LI State Com 2H	915' FSL & 205' FWL, Sec 11, T19S, R28E	30-015-48900	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2MP State Com 2H	895' FSL & 205' FWL, Sec 11, T19S, R28E	30-015-48897	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3DA State Com 1H	1300' FNL & 206' FWL, Sec 11, T19S, R28E	30-015-48071	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3EH State Com 1H	1330' FNL & 206' FWL, Sec 11, T19S, R28E	30-015-48073	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2DA State Com 2H	1070' FNL & 205' FWL, Sec 11, T19S, R28E	30-015-48898	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2EH State Com 2H	1090' FNL & 205' FWL, Sec 11, T19S, R28E	30-015-48899	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250

Oil, Water, & Gas metering

The central tank battery in the SWSW of Section 11, T19S, R28E, Eddy County, New Mexico. The production for each well will come to its own separator. From the separator production will be allocated as follows:

Oil Metering:

Oil volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Oil from each separator will be metered and then sent to a heater treater (HT). Oil from the HT will then flow to a vapor recovery tower (VRT) and then to the 750 BBL oil tanks (OT). Oil production will be allocated on a daily basis based on the oil allocation meter downstream of the separator. This meter will be proven based on API, NMOCD and BLM specifications by tank testing. This process is performed by isolating a well to specific oil tanks and calibrating the meter based on the production numbers. The oil production from these wells listed above will be measured, commingled and then sold via truck haul or LACT.

Water Metering:

Water volumes from each well producing to the battery will be determined by using an allocation meter at the facility for each well. Water from each separator will be metered and sent to the 1000 BBL gun barrel (GB). From the GB the water will be sent to the 750 BBL water tanks (WT). Water production will be allocated on a daily basis

based on the water allocation meter downstream of the separator. The water production from these wells listed above will be measured, commingled and disposed of via truck haul or pipelined to disposal.

Gas Metering:

Gas volumes from each well producing to these batteries will be determined by using an allocation gas meter after the separator at the facility for each well. The gas production from each well listed above will be measured, commingled, and then sold on lease using the 24 hr. well test method. A Durango common gas sales meter #631250 will be located on edge of the battery pad. This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Economic Justification

Well Name	BOPD EST	Oil Gravity @ 60°	Value/bbl	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Bourbon Red 11/12 B3LI State Com 1H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B3MP State Com 1H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B2LI State Com 2H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B2MP State Com 2H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B3DA State Com 1H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B3EH State Com 1H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B2DA State Com 2H	1500	48	\$74	~3000	~1250	\$2.00
Bourbon Red 11/12 B2EH State Com 2H	1500	48	\$74	~3000	~1250	\$2.00
CTB Combined	12000	48	\$100	~24,000	~1250	\$2.00

Process and Flow Descriptions:

The flow of production is shown in detail on the enclosed facility diagram and map which shows lease boundaries, wells, battery, & MM location. The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Working, royalty, & overriding interest owners have been notified of the proposal via certified mail (see attached).

Printed Name: Chad Cole

Signed 

Title: Regulatory Specialist

Date: 4/28/2022

District I
1625 N. Francis 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) 748-0720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6170 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	
4 Property Code		5 Property Name BOURBON RED 11/12 B2LI STATE COM			
6 Well Number 2H		7 Elevation 3472'			
8 GRID NO.		9 Operator Name MEWBOURNE OIL COMPANY			
10 Surface Location					
UL or lot no.	Section	Township	Range	Lot km	Feet from the
M	11	19S	28E		915
				North/South line	Feet from the
				SOUTH	205
				East/West line	County
				WEST	EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no.	Section	Township	Range	Lot km	Feet from the
I	12	19S	28E		2000
				North/South line	Feet from the
				SOUTH	100
				East/West line	County
				EAST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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.

GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 607731.8 - E 506195.0 LAT: 32.6706734° N LONG: 104.1350571° W BOTTOM HOLE N 606926.7 - E 606289.2 LAT: 32.6738089° N LONG: 104.1222456° W		CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 606815.2 - E 506093.1 B: FOUND BRASS CAP "1941" N 606454.0 - E 505984.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 505974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 506572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0		G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7 H: FOUND BRASS CAP "1941" N 606588.9 - E 606368.4 I: FOUND BRASS CAP "1941" N 606828.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.8 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 506580.8 M: FOUND BRASS CAP "1941" N 606501.9 - E 601179.0		17 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 undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well as 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 under laws and/or covered by the division. Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____
18 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. 12/02/21 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number: 19880 RESTAKE 12/02/2021			19 JOB NO.: LS21070717R			

District I
1635 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0730

District II
111 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Hondo Road, Aztec, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name BOURBON RED 11/12 B2MP STATE COM				6 Well Number 2H			
7 GRID NO.		8 Operator Name MEWBOURNE OIL COMPANY				9 Elevation 3471'			
10 Surface Location									
UL or lot no. M	Section 11	Township 19S	Range 28E	Lot Idn	Feet from the 895	North/South line SOUTH	Feet from the 205	East/West line WEST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. P	Section 12	Township 19S	Range 28E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 100	East/West line EAST	County EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

16 GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 607711.8 - E 596185.1 LAT: 32.6706185° N LONG: 104.1530570° W BOTTOM HOLE N 607587.0 - E 606290.6 LAT: 32.6701248° N LONG: 104.1222496° W			17 CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 606615.2 - E 595993.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 595904.8 C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0			G: FOUND BRASS CAP "1941" N 612224.9 - E 606368.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 608928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606804.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8 M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0			18 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 undivided 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 the 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 _____ Date _____ Printed Name _____ E-mail Address _____		
19 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. Date of Survey 12/02/2021 Signature and Seal of Professional Surveyor  Certificate Number 19680 RESTAKE 12/02/2021			20 JOB NO.: LS21070718R								

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0730

District II
1115 First St., Artesian, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720

District III
1000 Ran Ramirez Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1230 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name			6 Well Number
		BOURBON RED 11/12 B3DA STATE COM			1H
7 GRID NO.		8 Operator Name			9 Elevation
		MEWBOURNE OIL COMPANY			3490'

¹⁰ Surface Location

Surface Location									
U/L or Lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
D	11	19S	28E		1300	NORTH	205	WEST	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	Curse
A	12	19S	20E		500	NORTH	100	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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[illegible]

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name BOURBON RED 11/12 B3EH STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3488'
10 Surface Location					
UL or lot no. E	Section 11	Township 19S	Range 28E	Lot km 1330	Feet from the North/South line NORTH
				Feet from the East/West line 205	County EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. H	Section 12	Township 19S	Range 28E	Lot km 1900	Feet from the North/South line NORTH
				Feet from the East/West line 100	County EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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.

GEOMETRIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 610765.4 - E 598184.4 LAT: 32.6789121° N LONG: 104.1550752° W BOTTOM HOLE N 610323.9 - E 608282.1 LAT: 32.6776475° N LONG: 104.1222596° W		CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 608615.2 - E 595993.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 595984.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0		G: FOUND BRASS CAP "1941" N 612224.9 - E 606366.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 608928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606894.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.8 - E 598589.8 M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0		17 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 undivided mineral interest in the land underlying 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 territory entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
18 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. Date of Survey 07/13/2021 Signature and Seal of Professional Surveyor  Certificate Number 19680		JOB NO.: LS21070716					

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6726

District II
1115 First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720

District III
1000 Rio Boscon Road, Artesia, NM 88210
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
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State of New Mexico
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Santa Fe, NM 87505

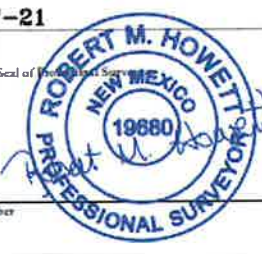
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name BOURBON RED 11/12 B3LI STATE COM			
6 Well Number 1H		7 Operator Name MEWBOURNE OIL COMPANY			
8 Elevation 3473'		9 Well Depth			
10 Surface Location					
UL or lot no. I	Section 11	Township 19S	Range 28E	Lot Idn	Feet from the 1350
North/South line SOUTH		Feet from the 205		East/West line WEST	
County EDDY					
11 Bottom Hole Location If Different From Surface					
UL or lot no. L	Section 12	Township 19S	Range 28E	Lot Idn	Feet from the 1900
North/South line SOUTH		Feet from the 100		East/West line EAST	
County EDDY					
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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11 GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 606166.6 - E 506193.7 LAT: 32.6717685° N LONG: 104.1550582° W BOTTOM HOLE N 606826.7 - E 506389.3 LAT: 32.6735321° N LONG: 104.1222459° W			12 CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 606815.2 - E 506093.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 505084.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 505074.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 508572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603788.0			13 FOUND BRASS CAP "1941" G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606368.4 I: FOUND BRASS CAP "1941" N 606928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606884.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 508589.8 M: FOUND BRASS CAP "1941" N 606501.9 - E 601179.0			14 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 undivided 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 heretofore entered by the division. Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____		
15 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. 02-17-21 Date of Survey Signature and Seal of the Surveyor:  19680 Certificate Number											

16 JOB NO.: LS1804533R

District I
1625 N. French Dr., Hobbs, NM 88240
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1111 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name BOURBON RED 11/12 B3MP STATE COM			6 Well Number 1H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3474'
10 Surface Location					
UL or lot no. M	Section 11	Township 19S	Range 28E	Lot Idn	Feet from the 1300
				North/South line SOUTH	Feet from the 205
				East/West line WEST	County EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. P	Section 12	Township 19S	Range 28E	Lot Idn	Feet from the 500
				North/South line SOUTH	Feet from the 100
				East/West line EAST	County EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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.

16 GEODETIC DATA NAD 83 GRID - NW EAST SURFACE LOCATION N 608116.7 - E 598193.8 LAT: 32.6716314° N LONG: 104.1550590° W BOTTOM HOLE N 607427.0 - E 606290.8 LAT: 32.6696849° N LONG: 104.1222301° W		17 CORNER DATA NAD 83 GRID - NW EAST A: FOUND BRASS CAP "1941" N 606815.2 - E 595993.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 593984.8 C: FOUND BRASS CAP "1941" N 612093.1 - E 593974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0		G: FOUND BRASS CAP "1941" N 612224.9 - E 608365.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 608928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 606884.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8 M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0		18 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 makes a working interest or retained mineral interest in the land including the proposed bottom hole location or has a right to drill this well as the location pursuant to a contract with an owner of such a mineral or working interest, or as a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
19 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. Date of Survey 02-17-18 Signature and Seal of the Surveyor  Certificate Number 19680		20 JOB NO.: LS1804534R					

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6720

District II
1115 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Bonito 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	
4 Property Code		5 Property Name BOURBON RED 11/12 B2DA STATE COM			6 Well Number 2H
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3492'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
E	11	19S	28E		1070	NORTH	205	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
A	12	19S	28E		500	NORTH	100	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

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.

<p>16 GEOMETRIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 611025.3 - E 596183.3 LAT: 32.6796284° N LONG: 104.1550772° W BOTTOM HOLE N 611723.5 - E 606270.0 LAT: 32.6814848° N LONG: 104.1222899° W</p>		<p>CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 606815.2 - E 595093.1 B: FOUND BRASS CAP "1941" N 609454.0 - E 593984.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 593074.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0</p>		<p>G: FOUND BRASS CAP "1941" N 612224.9 - E 606365.7 H: FOUND BRASS CAP "1941" N 609588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 608928.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 608894.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606860.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8 M: FOUND BRASS CAP "1941" N 606501.9 - E 601179.0</p>		<p>17 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 undivided 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 in existence entered by the division.</p> <p>Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____</p>	
<p>18 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.</p> <p>07/13/2021 Date of Survey Signature and Seal of Professional Surveyor ROBERT M. HOWETT 19680 Certificate Number REV: SL & PAD MOVE-11/11/22 JOB NO.: LS21070714R</p>							

District I
1625 N. Fench 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) 748-0720

District III
1000 Ray Houston Road, Artesia, NM 87416
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1230 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	
4 Property Code		5 Property Name BOURBON RED 11/12 B2EH STATE COM			6 Well Number 2H
7 GRID NO.		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3490'

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
D	11	19S	28E		1090	NORTH	205	WEST	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
H	12	19S	28E		1900	NORTH	100	EAST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

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.

<p>16 GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 611005.3 - E 596183.4 LAT: 32.6795715° N LONG: 104.1550770° W BOTTOM HOLE N 610323.9 - E 606282.1 LAT: 32.6776475° N LONG: 104.1222596° W</p>		<p>CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1941" N 608615.2 - E 595993.1 B: FOUND BRASS CAP "1941" N 608454.0 - E 595984.6 C: FOUND BRASS CAP "1941" N 612093.1 - E 595974.2 D: FOUND BRASS CAP "1941" N 612118.4 - E 598572.7 E: FOUND BRASS CAP "1941" N 612140.9 - E 601171.0 F: FOUND BRASS CAP "1941" N 612183.7 - E 603768.0</p>		<p>G: FOUND BRASS CAP "1941" N 612224.9 - E 606388.7 H: FOUND BRASS CAP "1941" N 608588.9 - E 606388.4 I: FOUND BRASS CAP "1941" N 606828.4 - E 606391.3 J: FOUND BRASS CAP "1941" N 608804.9 - E 603787.9 K: FOUND BRASS CAP "1941" N 606800.6 - E 601187.3 L: FOUND BRASS CAP "1941" N 606837.6 - E 598589.8 M: FOUND BRASS CAP "1941" N 609501.9 - E 601179.0</p>		<p>17 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 undivided 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 heretofore entered by the division.</p> <p>Signature: _____ Date: _____ Printed Name: _____ E-mail Address: _____</p>	
<p>18 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.</p> <p>07/13/2021 Date of Survey</p> <p>Signature and Seal of Professional Surveyor ROBERT M. HOWETT NEW MEXICO 19680 PROFESSIONAL SURVEYOR</p> <p>19680 Certificate Number</p> <p>REV: SL & PAD MOVE-11/11/22</p>		<p>JOB NO.: LS21070715R</p>					







DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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.

Chad Cole

Print or Type Name

Signature

Regulatory Specialist

Title

3/29/2023

Date

ccole@mewbourne.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 4801 Business Park BLVD PO Box 5270 Hobbs NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Chad Cole TITLE: Regulatory Specialist DATE: 3/29/2023

TYPE OR PRINT NAME Chad Cole TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: ccole@mewbourne.com

Central Tank Battery

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Bourbon Red 11/12 B3LI State Com 1H	1350' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48072	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3MP State Com 1H	1300' FSL & 206' FWL, Sec 11, T19S, R28E	30-015-48070	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2LI State Com 2H	915' FSL & 205' FWL, Sec 11, T19S, R28E	30-015-48900	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2MP State Com 2H	895' FSL & 205' FWL, Sec 11, T19S, R28E	30-015-48897	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3DA State Com 1H	1300' FNL & 206' FWL, Sec 11, T19S, R28E	30-015-48071	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B3EH State Com 1H	1330' FNL & 206' FWL, Sec 11, T19S, R28E	30-015-48073	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2DA State Com 2H	1070' FNL & 205' FWL, Sec 11, T19S, R28E	30-015-48898	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250
Bourbon Red 11/12 B2EH State Com 2H	1090' FNL & 205' FWL, Sec 11, T19S, R28E	30-015-48899	[96413] Palmillo; Bone Spring, Southwest	~3000	~1250



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

February 1, 2023

Mewbourne Oil Company
ATTN: Chad Cole
4801 Business Park Blvd
Hobbs, NM 88240

Re: Application for Surface Commingling and Off-Lease Storage
Wells approved for Off-Lease Measurement and Lease Commingling
Bourbon Red 11 12 B3LI State Com #001H and others (ALL WELLS ARE ON ATTACHED LIST)
POOL(S): [96413] Palmillo; Bone Spring, Southwest
Eddy County, New Mexico

Dear Mr. Cole,

We have received your \$150 application fee and request for surface commingling for the above-captioned wells.

Since it appears that all the rules and regulations for the New Mexico Oil Conservation Division and the State Land Office have been complied with and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved.

Our approval

- is subject to approval from all relevant agencies,
- does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

If you have any questions or if we may be of further assistance, please contact Baylen Lamkin at 505.827.6628 or blamkin@slo.state.nm.us.

Respectfully,

A handwritten signature in blue ink, appearing to read "S. Garcia Richard" followed by a stylized flourish.

Stephanie Garcia Richard
Commissioner of Public Lands

SGR/bl

cc: OCD – Mr. Leonard Lowe
OGMD and Units Reader Files

RECEIVED

DEC 08 2022

Carlsbad Current Argus.
NAME OF THE PUBLICATION - NEWSPAPER**Holland & Hart LLP****Affidavit of Publication**

Ad # 0005500930

This is not an invoice**HOLLAND AND HART**
POBOX 2208**SANTA FE, NM 87504**

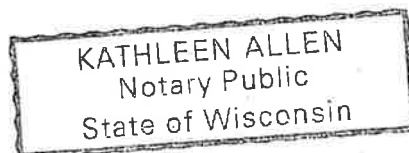
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

11/29/2022

Legal Clerk

Subscribed and sworn before me this November 29,
2022:State of WI, County of Brown
NOTARY PUBLIC

My commission expires



Ad # 0005500930

PO #: Application of Mewbourne Oil Company
of Affidavits 1**This is not an invoice****Legal Notice (Publication)**

To: All affected parties, including: Devon Energy Production Company, L.P.; EOG Resources, Inc.; Premier Oil & Gas, Inc.; RSC Resources, LP; XTO Delaware Basin, LLC; XTO Permian, LLC; OXY Y-1 Company; Kerr-McGee Oil & Gas On-shore LP; CL&F Operating, LLC; LRF Jr., LLC; COG Operating LLC; Chi Energy, Inc.; Yates Brothers, a partnership; Successors and assigns of John Thoma; Jastrow Family Oil & Gas, LLC; ARB-SRP PC I BPEOR NM, L.L.C.; ARB-SRP PC II BPEOR NM, L.L.C.; ARB-RMB PC BPEOR NM, L.L.C.; ARB-LMB PC I BPEOR NM, L.L.C.; ARB-LMB PC II BPEOR NM, L.L.C.; and EPB-PC I BPEOR NM, L.L.C.

Application of Mewbourne Oil Company for administrative approval to surface commingle (lease) oil and gas production from spacing units comprised of the S/2 of Sections 11 and 12, Township 19 South, Range 28 East, NMMPM, Eddy County, New Mexico (the "Lands"). Mewbourne Oil Company (OGRID No. 14744), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease) diversely owned oil and gas production at the Bourbon Red 11/12 Tank Battery insofar as all existing and future infill wells drilled in the following spacing units:

(a) The 320-acre spacing unit comprised of the N/2 S/2 of Sections 11 and 12, Township 19 South, Range 28 East, in the Palmillo; Bone Spring, Southwest [96413] - currently dedicated to the Bourbon Red 11/12 B3LI State Com #1H (API No. 30-15-48072);

(b) The 320-acre spacing unit comprised of the S/2 S/2 of Sections 11 and 12, Township 19 South, Range 28 East, in the Palmillo; Bone Spring, Southwest [96413] - currently dedicated to the Bourbon Red 11/12 B3MP State Com #1H (API No. 30-15-48070); and

(c) Pursuant to 19.15.12.10.C(4)(g), future Palmillo; Bone Spring, Southwest [96413] spacing units connected to the Bourbon Red 11/12 Tank Battery with notice provided only to the owners of interests to be added.

Any objection to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Chad Cole, Mewbourne Oil Company, (575) 393-5905 or ccole@mewbourne.com.

#5500930, Current Argus, Nov. 29, 2022

MEWBOURNE OIL COMPANY

4801 Business Park Blvd
Hobbs, NM 88240
575-393-5905

November 17, 2021

Via Certified Mail

See Attached Address List

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") has filed an application with the New Mexico Oil Conservation Division ("Division") seeking authorization to surface commingle production from the Palmillo; Bone Spring, Southwest pool originating from the Bourbon Red 11/12 B3L1 State Com #1H and the Bourbon Red 11/12 B3MP State Com #1H, which comprise portions of Sections 11 & 12, T19S, R28E, Eddy County, New Mexico. All oil production from these wells is to be stored in a Central Tank Battery, located in the SWSW of said Section 11. Also, Mewbourne has filed to surface commingle gas production from these wells. The gas production from these wells will flow to an on lease common Durango Meter #631250 located on edge of the battery pad. Mewbourne will meter all production at the facility using meters calibrated off the well test method. Information detailing each well is attached.

If you object to the either application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

Should you have any questions regarding the above, please email Chad Cole at ccole@mewbourne.com or call him at (575) 393-5905.

Sincerely,



Mitch Robb
Landman

Notice List - Bourbon Red 11/12 B3MP & B3LI

Owner	Certified Tracking Number
Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102	9414836897846592157631
EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706	9414836997846592167548
Premier Oil & Gas, Inc. 901 Waterfall Way, Suite 201 Richardson, Tx 75080	9414836897846592176366
RSC Resources, LP PO Box 8329 Horseshoe Bay, TX 78657	9414836897846592182565
XTO Delaware Basin, LLC and XTO Permian, LLC 810 Houston Street Fort Worth, TX 76102	9414836897846592192939
OXY Y-1 Company & Kerr-McGee Oil & Gas Onshore LP 5 Greenway Plaza, Suite 110 Houston, TX 77046	9414836897846592200917
CL&F Operating, LLC 16945 Northchase Drive, Suite 1500 Houston, TX 77060	9414836897846592211210
LRF Jr., LLC PO Box 11327 Midland, TX 79702	9414836897846592220366
COG Operating LLC 600 W. Illinois Avenue Midland, TX 79701	9414836897846592230488
Chi Energy, Inc. P.O. Box 1799 Midland, Texas 79702	9414836897846592246014
Yates Brothers, a partnership PO Box 1394 Artesia, NM 88211-1394	9414836897846592255207

Notice List - Bourbon Red 11/12 B3MP & B3LI

Owner	Certified Tracking Number
Successors and assigns of John Thoma PO Box 17656 Golden, CO 80402	9414836897846592262304
Jastrow Family Oil & Gas, LLC 6300 Bee Cave Road, Building 1, 6 th Floor Austin, TX 78746	9414836897846592273614
ARB-SRP PC I BPEOR NM, L.L.C. ARB-SRP PC II BPEOR NM, L.L.C. ARB-RMB PC BPEOR NM, L.L.C. ARB-LMB PC I BPEOR NM, L.L.C. ARB-LMB PC II BPEOR NM, L.L.C. EPB-PC I BPEOR NM, L.L.C. 201 Main Street, Suite 3000 Fort Worth, TX 76102	9414836897846592283507

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**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MEWBOURNE OIL CO.**

ORDER NO. CTB-1066A

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Co. (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
7. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
9. Applicant’s proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.

10. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
11. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order CTB-1066.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT CHANG
DIRECTOR**

DATE: 8/13/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1066-A

Operator: Mewbourne Oil Company (14744)

Central Tank Battery: Bourbon Red 11 12 Battery

Central Tank Battery Location: UL M, Section 11, Township 19 South, Range 28 East

Gas Title Transfer Meter Location: UL M, Section 11, Township 19 South, Range 28 East

Pools

Pool Name	Pool Code
PALMILLO; BONE SPRING, SOUTHWEST	96413

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMSLO 204449 PUN 1392913	N2S2	11-19S-28E
	N2S2	12-19S-28E
CA Bone Spring NMSLO 204449 PUN 1397098	N2S2	11-19S-28E
	N2S2	12-19S-28E
CA Bone Spring NMSLO 204450 PUN 1393237	S2S2	11-19S-28E
	S2S2	12-19S-28E
CA Bone Spring NMSLO 204450 PUN 1396880	S2S2	11-19S-28E
	S2S2	12-19S-28E
CA Bone Spring NMSLO 204798 PUN 1397363	S2N2	11-19S-28E
	S2N2	12-19S-28E
CA Bone Spring NMSLO 204798 PUN 1403245	S2N2	11-19S-28E
	S2N2	12-19S-28E
CA Bone Spring NMSLO 204799 PUN 1397320	N2N2	11-19S-28E
	N2N2	12-19S-28E
CA Bone Spring NMSLO 204799 PUN 1403239	N2N2	11-19S-28E
	N2N2	12-19S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-48072	BOURBON RED 11 12 B3LI STATE	N2S2	11-19S-28E	96413
	COM #001H	N2S2	12-19S-28E	
30-015-48070	BOURBON RED 11 12 B3MP STATE	S2S2	11-19S-28E	96413
	COM #001H	S2S2	12-19S-28E	
30-015-48071	BOURBON RED 11 12 B3DA STATE	N2N2	11-19S-28E	96413
	COM #001H	N2N2	12-19S-28E	
30-015-48073	BOURBON RED 11 12 B3EH STATE	S2N2	11-19S-28E	96413
	COM #001H	S2N2	12-19S-28E	
30-015-48897	BOURBON RED 11 12 B2MP STATE	S2S2	11-19S-28E	96413
	COM #002H	S2S2	12-19S-28E	
30-015-48898	BOURBON RED 11 12 B2DA STATE	N2N2	11-19S-28E	96413
	COM #002H	N2N2	12-19S-28E	

30-015-48899	BOURBON RED 11 12 B2EH STATE COM #002H	S2N2 S2N2	11-19S-28E 12-19S-28E	96413
30-015-48900	BOURBON RED 11 12 B2LI STATE COM #002H	N2S2 N2S2	11-19S-28E 12-19S-28E	96413

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 201883

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 201883
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov .	8/19/2025