

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MEWBOURNE OIL COMPANY**

ORDER NO. CTB-1163

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 Company (“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.

CONCLUSIONS OF LAW

5. 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.
6. 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.
7. 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.
8. 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.

9. 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.
10. 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. 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.
3. 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.
4. 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.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
6. 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.
7. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
8. 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).

9. 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 C. S. CHANG
DIRECTOR**

DATE: 10/3/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1163

Operator: Mewbourne Oil Company (14744)

Central Tank Battery: Dolly Varden & Steelhead Central Tank Battery

Central Tank Battery Location: UL E, Section 36, Township 21 South, Range 34 East

Gas Title Transfer Meter Location: UL E, Section 36, Township 21 South, Range 34 East

Pools

Pool Name	Pool Code
GRAMA RIDGE;BONE SPRING, NE	28435

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring SLO 204650 PUN 1400764	W2W2	24-21S-34E
	W2W2	25-21S-34E
	W2NW	36-21S-34E
CA Bone Spring SLO 204757 PUN 1401973	W2SE	25-21S-34E
	W2NE	36-21S-34E
CA Bone Spring SLO 204762 PUN 1402063	E2SW	25-21S-34E
	E2NW	36-21S-34E
CA Bone Spring SLO 204763 PUN 1402074	W2SW	25-21S-34E
	W2NW	36-21S-34E
CA Bone Spring SLO 204970 PUN 1405370	E2W2	24-21S-34E
	E2W2	25-21S-34E
	E2NW	36-21S-34E
CA Bone Spring SLO 205003 PUN 1405887	W2E2	24-21S-34E
	W2E2	25-21S-34E
	W2NE	36-21S-34E
CA Bone Spring SLO 205006 PUN 1405915	E2E2	24-21S-34E
	E2E2	25-21S-34E
	E2NE	36-21S-34E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-50847	DOLLY VARDEN 36 24 STATE COM #621H	W2W2	24-21S-34E	28435
		W2W2	25-21S-34E	
		W2NW	36-21S-34E	
30-025-52344	DOLLY VARDEN 36 24 STATE COM #623H	E2W2	24-21S-34E	28435
		E2W2	25-21S-34E	
		E2NW	36-21S-34E	
30-025-52345	DOLLY VARDEN 36 24 STATE COM #626H	W2E2	24-21S-34E	28435
		W2E2	25-21S-34E	
		W2NE	36-21S-34E	

30-025-52346	DOLLY VARDEN 36 24 STATE COM #628H	E2E2	24-21S-34E	28435
		E2E2	25-21S-34E	
		E2NE	36-21S-34E	
30-025-52343	DOLLY VARDEN 36 24 STATE COM #528H	E2E2	24-21S-34E	28435
		E2E2	25-21S-34E	
		E2NE	36-21S-34E	
30-025-52342	DOLLY VARDEN 36 24 STATE COM #318H	E2E2	24-21S-34E	28435
		E2E2	25-21S-34E	
		E2NE	36-21S-34E	
30-025-50848	STEELHEAD 36 25 B2EL STATE COM #001H	W2SW	25-21S-34E	28435
		W2NW	36-21S-34E	
30-025-50849	STEELHEAD 36 25 B2FK STATE COM #001H	E2SW	25-21S-34E	28435
		E2NW	36-21S-34E	
30-025-50935	STEELHEAD 36 25 B2GJ STATE COM #001H	W2SE	25-21S-34E	28435
		W2NE	36-21S-34E	

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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/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 512947

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 512947
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

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 .	10/7/2025