

# New Mexico Energy, Minerals and Natural Resources Department

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Governor

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Cabinet Secretary-Designate

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Division Director  
Oil Conservation Division



August 22, 2011

## Administrative Order CTB-635

Mewbourne Oil Company  
Attention: Mr. Robin Terrell  
PO Box 5270  
Hobbs, NM 88241

### RE: Surface Commingling

It is our understanding that you propose to commingle production of natural gas from diversely owned lands, limited to one common source of supply (N. Seven Rivers; Glorieta-Yeso Pool (97565), through facilities operated by the Mewbourne Oil Company ("Applicant"). By this application you are seeking commingling approval pursuant to Division Rule 12.10.C(4) [19.15.12.10.C.(4) NMAC]. It is further understood that you have provided notice to all interest owners in accordance with Rule 12.10.C(4)(c), and no objections have been received.

Applicant is hereby authorized to surface commingle natural gas production from the N. Seven Rivers; Glorieta-Yeso Pool from the following wells and completions located within Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico:

Well_Name	Well_No	Fed Lease	30-015	DU_Desc	Acres	Bhspot	BH_Sec	Whspot	Wh_Sec
FAST DRAW 4 EH Fed COM	001H	14758	38636	EFGH	160	H	4	E	4
GUNSMOKE 9 CD Fed COM	001H	14758	38239	CD	80	D	9	B	9
GUNSMOKE 9 EF Fed COM	001H	14758	37685	EF	80	E	9	G	9
LIMOUSINE 15 CD Fed COM	001	14758	37818	CD	80	D	15	B	15
LIMOUSINE 15 FE Fed	001H	14758	38229	EF	80	E	15	G	15
LONG DRAW 10 C Fed	001	14758	36631	C	40	C	10	C	10
LONG DRAW 10 D Fed	001	14758	37251	D	40	D	10	D	10
LONG DRAW 10 E Fed	001	14758	36879	E	40	E	10	E	10
LONG DRAW 4 I Fed	001	14758	37202	I	40	I	4	I	4
LONG DRAW 4J	001H	14758	37585	JKL	120	L	4	J	4
LONG DRAW 9 A Fed	001	14758	37470	A	40	A	9	A	9
LONG DRAW 9 BO Fed COM	001H	14758	38309	BGJO	160	O	9	O	4
LONG DRAW 9H Fed	001	14758	37200	H	40	H	9	H	9
PINE BOX 21 CN Fed COM	001H	4025	38301	CFKN	160	N	21	C	21
QUICK DRAW 14 E Fed	001	114959	36534	E	40	E	14	E	14



QUICK DRAW 14 L Fed	001	114959	36661	L	40	L	14	L	14
WEST DRAW 5 8 PH Fed Com	001H	6031	38674	PAH	120	H	8	I	5

It is our understanding the sales point will be located within Unit Letter M, Section 33, Township 19 South, Range 25 East – off lease sales are approved for these wells.

This installation shall be constructed and operated in accordance with applicable Division Rules. Gas from each separately owned lease shall be continuously metered prior to being commingled for sale. The gas allocation meters shall be calibrated on a schedule based on throughput as per Rule 12.10.C(2) NMAC.

Before commencing surface commingling, the operator must obtain approval from the United States Bureau of Land Management (BLM) as directed in Rule 12.10.C(4)(h) NMAC. The operator shall notify the District office of the Division prior to implementation of commingling operations. It is also responsibility of the operator to notify the transporter of this commingling authority.

Applicant has not provided notice that it is requesting addition of future wells or additional leases or pools to this commingle as per Rule 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 and providing notice to all owners.

Sincerely,

  
JAMIE BAILEY  
Division Director

JB/wvjj

cc: Oil Conservation Division – Artesia  
Bureau of Land Management - Carlsbad