

10-24-12 11-13-12 ENGINEER DB 10-24-12 TYPE NSL PDB 1229857046

Newbourne

Merit 32
DM State Grm
#1

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED OCD

2012 OCT 24 P 12: 04

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

6708

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

Title

Date

jamesbruc@aol.com
e-mail Address

10/23/12

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

October 23, 2012

David Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to NMAC 19.15.15.13, Mewbourne Oil Company applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Merit 32 DM State Com. Well No. 1
<u>Surface location:</u>	245 feet FNL & 330 feet FWL
<u>Bottom hole location:</u>	330 feet FSL & 330 feet FWL
<u>Well unit (project area):</u>	W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 32, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico

The well will be drilled to a depth sufficient to test the Bone Spring formation (Scharb Bone Spring Pool). Under Order No. R-2589, the pool is spaced on 80 acres, with wells to be located within 200 feet of the center of a quarter-quarter section line.

The producing interval of the well will begin approximately 725 feet from the North line and 330 feet from the West line of Section 32. The completed and perforated interval will be unorthodox. The unorthodox location will increase the productive length of the wellbore.

Attached as Exhibit A is a land plat. The offsets are as follows:

SW/4SW/4 Sec. 29
The Blanco Company

NW/4NW/4 Sec. 5
Sundown Energy, LP
PGP Holdings I, LLC

NE/4NE/4 Sec. 6
Mewbourne Oil Company

E/2E/2 Sec. 31
Nadel and Gussman Heyco, LLC

SE/4SE/4 Sec. 30
Daniel E. Gonzalez

Notice of the application has been sent to the offsets, as reflected on Exhibit B.

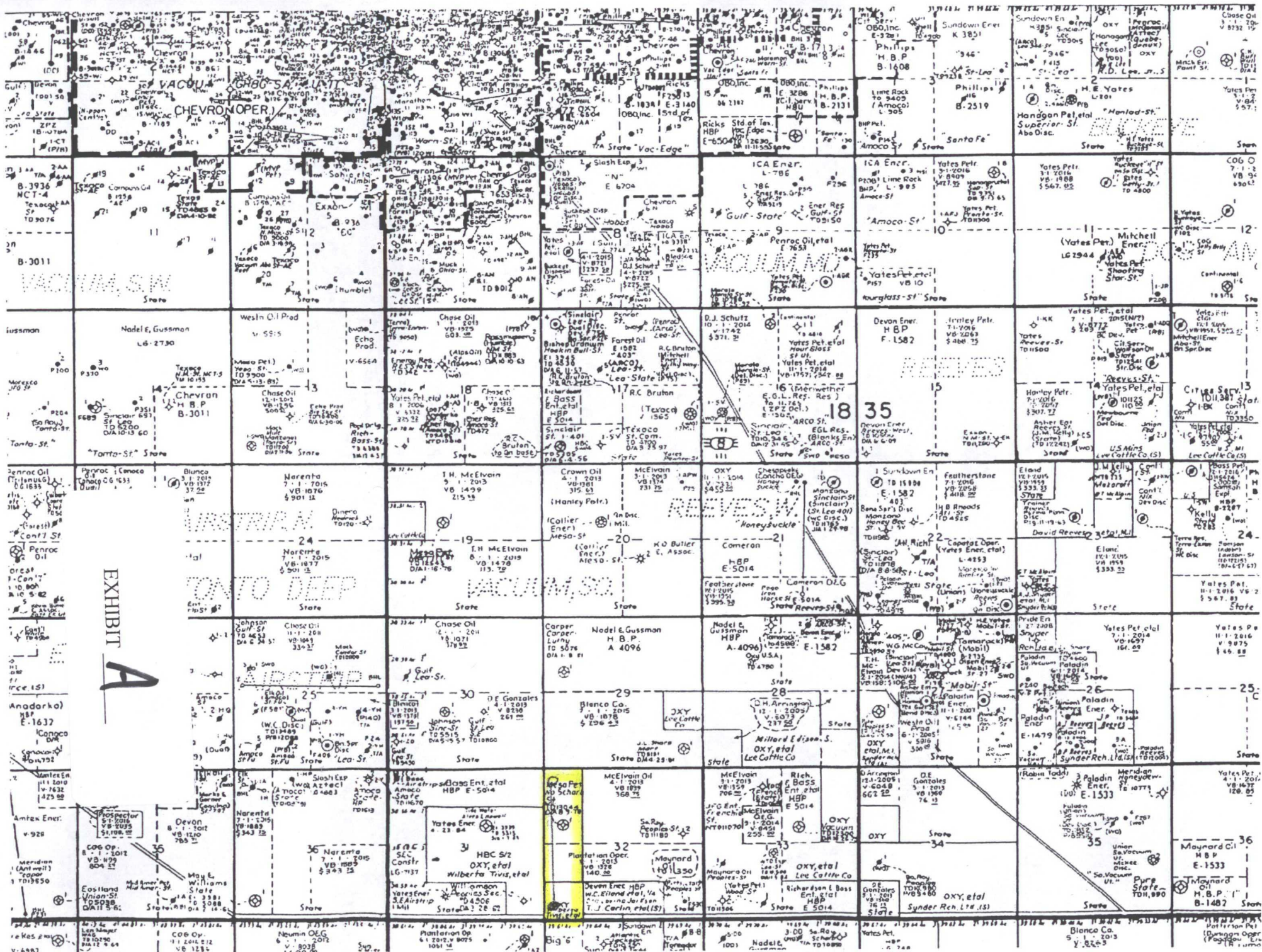
Please contact me if you need any further information on this application.

Very truly yours,

A handwritten signature in black ink, appearing to read "James Bruce". The signature is written in a cursive style with a large, stylized "J" and "B".

James Bruce

Attorney for Mewbourne Oil Company



JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

October 23, 2012

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the W½W½ of Section 32, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. A copy of the application is enclosed. You are an offset operator or interest owner. If you object to the 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 at a later date.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT

B

Exhibit A

Daniel E. Gonzales
P.O. Box 2288
Santa Fe, New Mexico 87504-2288

Nadel and Gussman Heyco, LLC
P.O. Box 1933
Roswell, New Mexico 88202

PGP Holdings 1, LLC
104 Town Park Drive
Kennesaw, GA 30144

Sundown Energy, LP
Suite 2000
13455 Noel Road
Dallas, Texas 75240

The Blanco Company
P.O. Box 25968
Albuquerque, New Mexico 87125

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, October 24, 2012 3:57 PM
To: jamesbruc@aol.com
Subject: Mewbourne Oil Company - Merit 32 DM State Com #1; NSL Application

Dear Jim

I note that a C-102 was not furnished with this application, which I received today by mail.

Please furnish a copy of a C-102.

Thanks

David

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-8161 Fax: (505) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40836		Pool Code	Pool Name
Property Code	Property Name MERIT 32 DM STATE		Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY		Elevation 3932'

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	32	18 S	35 E		245	NORTH	330	WEST	LEA

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
M	32	18 S	35 E		330	SOUTH	330	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

SURFACE LOCATION Lat - N 32°42'38.35" Long - W 103°29'11.89" NMSPEC - N 623286.764 E 760431.340 (NAD-27) Landing Point 725' FWL, 330' FWL	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 unleased 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 _____	
	Email Address _____	
	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 Surveyed _____	
	Signature & Seal of Professional Surveyor _____	
	Certificate No. Gary L. Jones 7977	
BASIN SURVEYS 27397		