

9/22/2016 DATE IN	SUSPENSE	ENGINEER LML	9/22/2016 LOGGED IN	NSL/NSP TYPE	APP NO pKSC1626652723 pKSC1626655682
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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] [NSL-7470]
 [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 _____

NSL/NSP - 2053

Mewbourne Oil Company (14744)

Hollywood 28/33 W2IP Fed Com #1H

30-015-43893 Forehand Ranch Wolfcamp

Gas Pool (76780)

[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.

Corey Mitchell
Print or Type Name

Corey Mitchell
Signature

Landman
Title

9-15-2016
Date

cmitchell@mewbourne.com
e-mail Address

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020
Midland, Texas 79701
Phone (432) 682-3715
Fax (432) 685-4170

September 16, 2016

Via Certified Mail

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. Leonard Lowe

Re: Application for Unorthodox Well Location and Non-Standard Proration Unit
Hollywood 28/33 W2IP Federal Com No. 1H
API No. 3001543893
Surface Location: 2455' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)
First Take Point: 2310' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)
Last Take Point: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)
Bottomhole Location: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)
SE/4 Section 28, T-23-S, R-27-E and E/2 Section 33, T-23-S, R-27-E, NMPM
Eddy County, New Mexico

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.4.12.A.3 and 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of an unorthodox gas well location and non-standard proration unit for its proposed. This well will be drilled as a horizontal gas well in the Forehand Ranch Wolfcamp Gas Pool (76780).

The Hollywood 28/33 W2IP Federal Com No. 1H will be dedicated to a 480-acre gas spacing and proration unit comprising the SE/4 Section 28 and E/2 Section 33. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

Forehand Ranch Wolfcamp Gas Pool is currently governed by Division Rule 19.19.15.10 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 660 feet to the outer boundary of the producing area.

The unorthodox location and non-standard proration unit are necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the SE/4 Section 28 and E/2 Section 33.

The affected offset acreage comprises the W/2 of Section 27, N/2, SW/4 of Section 28, W/2 of Section 33, all of Section 34, N/2 of Section 3, Township 24 South, Range 27 East and N/2 of Section 4, Township 24 South, Range 27 East, (See Attached Map). There are currently the following Wolfcamp producers within the offset acreage:

- Goose 29/28 W2BA State Com No. 1H (API No: 3001543452), Section 29, T23S, R27E

Consequently, notice of this application is being provided to Devon Energy Production Company, L.P., Chevron U.S.A. Inc., ConocoPhillips Company, COG Operating LLC, Crown Oil partners V, LP, Crump Energy Partners II, LLC, Nadel and Gussman Permian, LLC and MRC Permian LKE Company, LLC.

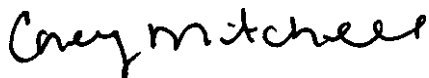
Attached is a Form C-102 showing the surface, first take point, last take point, and bottomhole locations for the Hollywood 28/33 W2IP Federal Com No. 1H. Also, attached is a map showing the affected offset acreage, a horizontal well plan, notice list and offset notice letter.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Forehand Ranch Wolfcamp Gas Pool underlying the SE/4 Section 28 and E/2 Section 33 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Corey Mitchell
Landman

Xc: OCD-Artesia

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6160 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos 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
NM OIL CONSERVATION DIVISION
1220 South St. Francis Dr. ARTESIA DISTRICT
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
one copy to appropriate
District Office

SEP 16 2016

☒ AMENDED REPORT
Correct Property Code

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30.015.43893		2 Pool Code 76780		3 Pool Name FOREHAND RANCH WOLF CAMP GAS	
4 Property Code 316754		5 Property Name HOLLYWOOD 28/33 W2IP FED COM			6 Well Number 1H
7 GRID NO. 14744		8 Operator Name MEWBORNE OIL COMPANY			9 Elevation 3177'
10 Surface Location					
UL or lot no. I	Section 28	Township 23S	Range 27E	Lot Idn 2455	Feet from the North/South line SOUTH Feet from the East/West line 450 County EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. P	Section 33	Township 23S	Range 27E	Lot Idn 330	Feet from the North/South line SOUTH Feet from the East/West line 450 County EDDY
12 Dedicated Acres 480	13 Joint or Infill	14 Consolidation Code	15 Order No. NSP PENDING + NAL PENDING		

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 27 GRID - NM EAST SURFACE LOCATION N 463785.1 - E 545097.1 LAT: 32.27497771° N LONG: 104.18741922° W BOTTOM HOLE N 458428.6 - E 544989.2 LAT: 32.25475039° N LONG: 104.18780050° W	GEODETIC DATA NAD 83 GRID - NM EAST SURFACE LOCATION N 463843.7 - E 586279.5 LAT: 32.27509704° N LONG: 104.18791769° W BOTTOM HOLE N 456485.2 - E 586171.8 LAT: 32.25486983° N LONG: 104.18829837° W	11 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: <i>Bradley Bishop</i> Date: _____ BRADLEY BISHOP Printed Name E-mail Address: _____
	CORNER DATA NAD 27 GRID - NM EAST A: CALCULATED CORNER N 458060.8 - E 540137.5 B: FOUND 1/2" REBAR N 461329.4 - E 540282.4 C: FOUND 1 1/2" IRON PIPE N 466641.9 - E 540266.6 D: CALCULATED CORNER N 486669.3 - E 545524.3 E: FOUND 1/2" REBAR N 461331.0 - E 545566.3 F: CALCULATED CORNER N 458100.3 - E 545430.6 G: FOUND 100D NAIL N 461330.2 - E 542924.3		12 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. 4-11-2016 Date of Survey Signature and Seal of the Surveyor: <i>Robert M. Howett</i> 19880 Certificate Number

RRC - Firm No.: TX 10193838 NM 4655451 - Job No.: LS1602065

District I
1625 N. French 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) 748-9720
District III
1000 Rio Brazos 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 76780		3 Pool Name FOREHAND RANCH WOLF CAMP GAS	
4 Property Code		5 Property Name HOLLYWOOD 28/33 W2IP FED COM			
7 OGRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			
		6 Well Number 1H			
9 Elevation 3177'					
10 Surface Location					
UL or lot no. I	Section 28	Township 23S	Range 27E	Lot Idn	Feet from the 2455
				North/South line SOUTH	Feet from the 450
				East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface					
UL or lot no. P	Section 33	Township 23S	Range 27E	Lot Idn	Feet from the 330
				North/South line SOUTH	Feet from the 450
				East/West line EAST	County EDDY
12 Dedicated Acres 480		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 27 GRID - NM EAST
SURFACE LOCATION
LAT: 32.27497771° N
LONG: 104.18741922° W
BOTTOM HOLE
LAT: 32.25475039° N
LONG: 104.18780050° W

GEODETIC DATA
NAD 83 GRID - NM EAST
SURFACE LOCATION
LAT: 32.27509704° N
LONG: 104.18791769° W
BOTTOM HOLE
LAT: 32.25486983° N
LONG: 104.18829837° W

CORNER DATA
NAD 27 GRID - NM EAST
A: CALCULATED CORNER
N 456060.8 - E 540137.5
B: FOUND 1/2" REBAR
N 461329.4 - E 540282.4
C: FOUND 1 1/2" IRON PIPE
N 466641.9 - E 540266.6
D: CALCULATED CORNER
N 466669.3 - E 545524.3
E: FOUND 1/2" REBAR
N 461331.0 - E 545566.3
F: CALCULATED CORNER
N 456100.3 - E 545430.6
G: FOUND 100D NAIL
N 461330.2 - E 542924.3

Handwritten notes:
SL: 2455' FSL: 450' FEL
2310' FSL: 450' FEL (FTP)
330' FSL: 450' FEL (LTP)
330' FSL: 450' FEL (BHL)

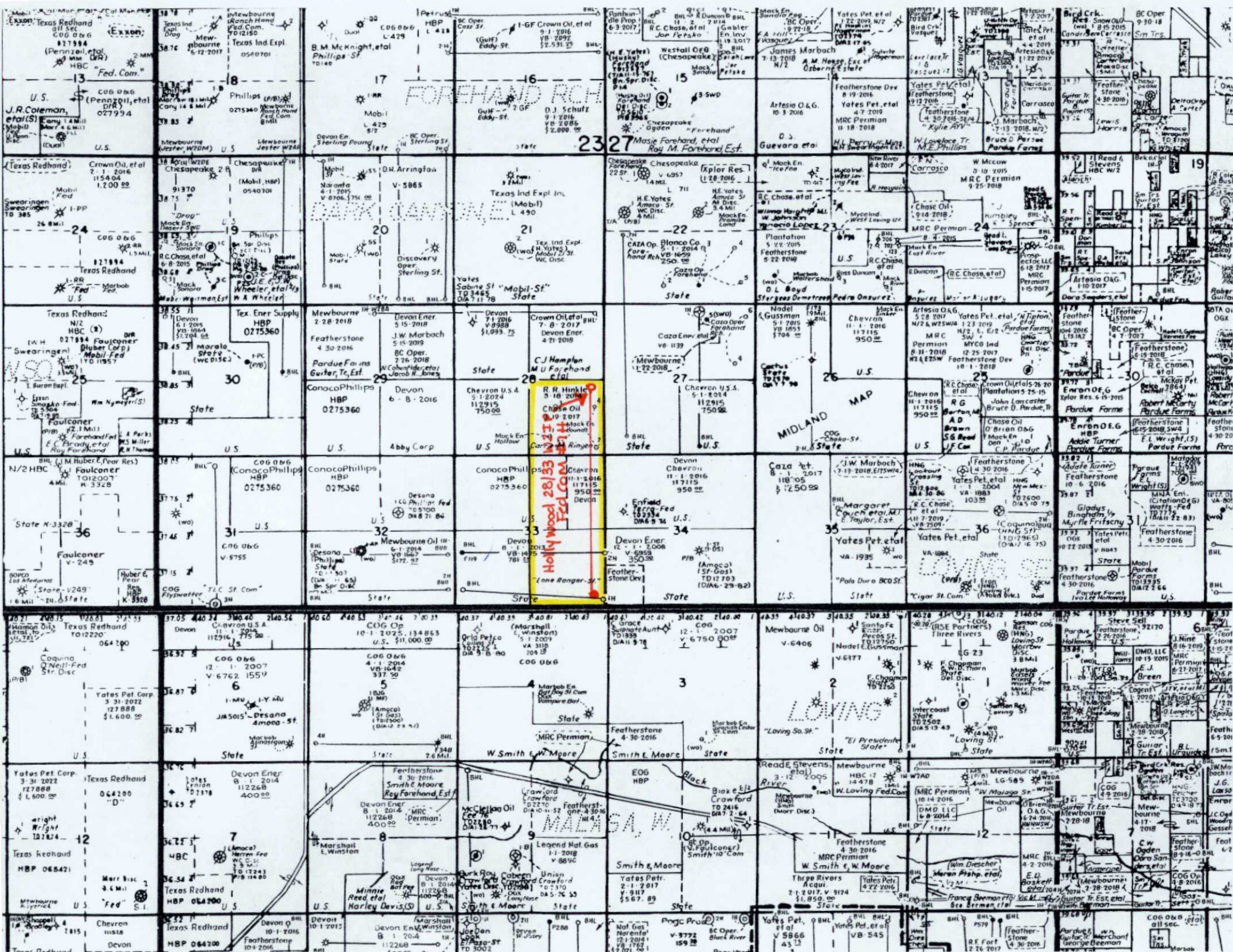
17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to 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: *Bradley Bishop* Date: _____
Printed Name: **BRADLEY BISHOP**
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.

4-11-2016
Date of Survey
Signature and Seal of Professional Surveyor: *Robert M. Howett*
19680
Certificate Number

RRC - Firm No.: TX 10193838 NM 4655451 - Job No.: LS1602065



MEWBOURNE NSL-7470
NSP-2053

Hollywood 28/33W21P Fnd
LLOWE (PETROLEUM ENGINEER FOR OCD) SIGN OUT HELP COME
No. 14

Wells Operators Operator Data OCD Only Administration

OCD Permitting

Home Land Searches Land Details

Section : 33-23S-27E

Type: Normal

Total Acres: 640

County: Eddy (15)

320 ACRES

D (D) Federal ¹ Federal ² (15) 40	C (C) Federal ¹ Federal ² (15) 40	B (B) Federal ¹ Federal ² (15) 40	A (A) Federal ¹ Federal ² (15) 40
E (E) Federal ¹ Federal ² (15) 40	F (F) Federal ¹ Federal ² (15) 40	G (G) Federal ¹ Federal ² (15) 40	H (H) Federal ¹ Federal ² (15) 40
L (L) State ¹ State ² (15) 40	K (K) State ¹ State ² (15) 40	J (J) State ¹ State ² (15) 40	I (I) State ¹ State ² (15) 40
M (M) State ¹ State ² (15) 40	N (N) State ¹ State ² (15) 40	O (O) State ¹ State ² (15) 40	P (P) State ¹ State ² (15) 40

P₂

Sec 27

API # 015-43720

Note¹ = Surface Owner Rights

Note² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

New Mexico Energy, Minerals and Natural Resources Department | Copyright 2012

1220 South St. Francis Drive | Santa Fe, NM 87505 | P: (505) 476-3200 | F: (505) 476-3220

EMNRD Home OCD Main Page OCD Rules Help

Wells

Operators

Operator Data

OCD Only

Administration

OCD Permitting

[Home](#)
[Land Searches](#)
[Land Details](#)

Section : 28-23S-27E

Type: Normal

Total Acres: 640

County: Eddy (15)

P.

D (D) State ¹ State ² (15) 40	C (C) State ¹ State ² (15) 40	B (B) Fee ¹ Fee ² (15) 40	A (A) Fee ¹ Fee ² (15) 40	?
E (E) State ¹ State ² (15) 40	F (F) State ¹ State ² (15) 40	G (G) Fee ¹ Fee ² (15) 40	H (H) Fee ¹ Fee ² (15) 40	
L (L) Federal ¹ Federal ² (15) 40	K (K) Federal ¹ Federal ² (15) 40	J (J) Fee ¹ Fee ² (15) 40	I (I) P. Fee ¹ Fee ² (15) 40	
M (M) Federal ¹ Federal ² (15) 40	N (N) Federal ¹ Federal ² (15) 40	O (O) Fee ¹ Fee ² (15) 40	P (P) Fee ¹ Fee ² (15) 40	

160 Acres

Note¹ = Surface Owner RightsNote² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

Notice List

Mewbourne Oil Company

Application for Unorthodox Well Location and Non-Standard Proration Unit

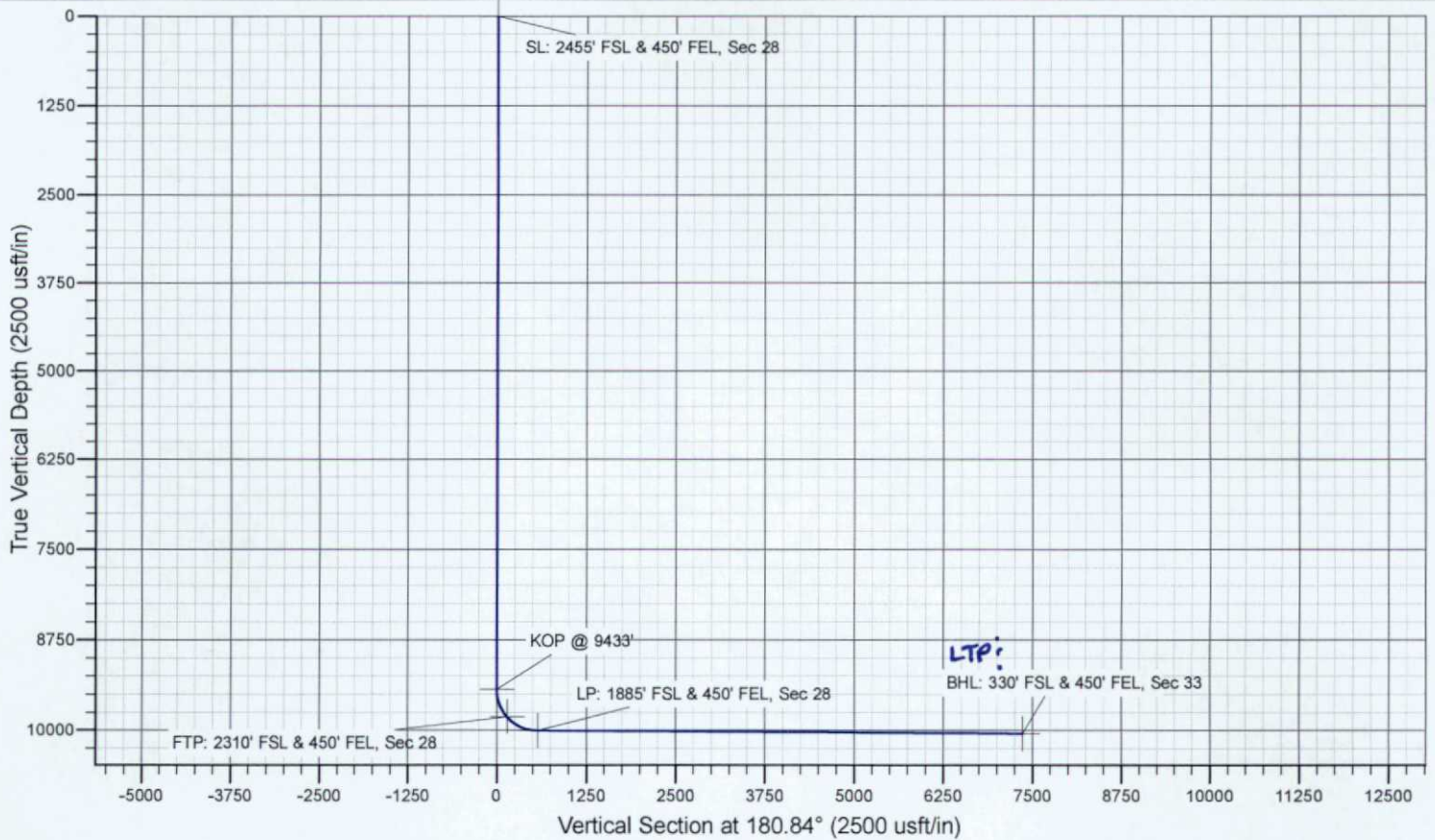
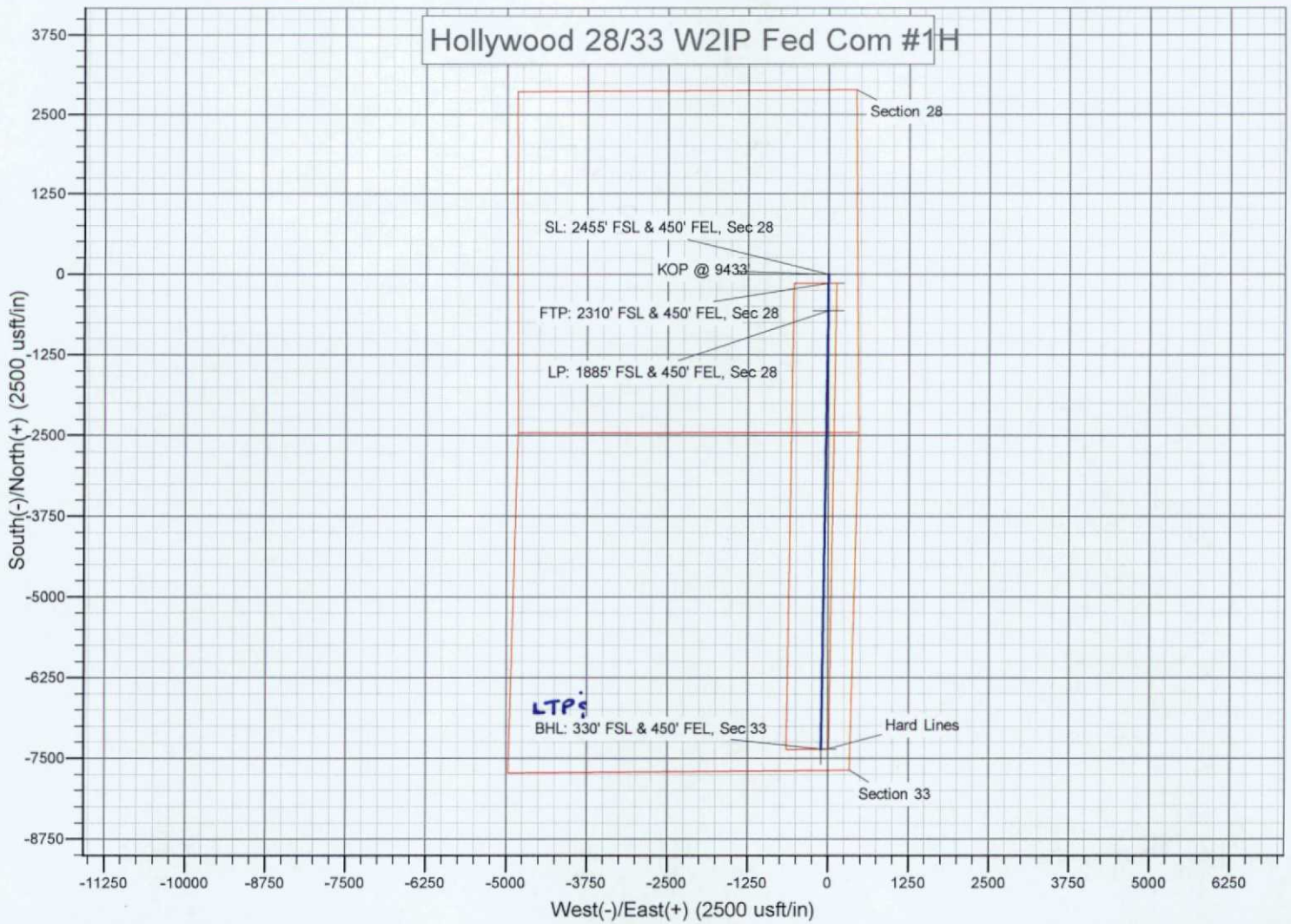
Hollywood 28/33 W2IP Federal Com No. 1H, Section 28 & 33 , T23S, R27E

Eddy County, New Mexico

Owners Noticed	Tract Number	Certified Tracking Number
Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102 Attn: Mr. Brandon Patrick	1, 7, 8 ✓	9414 8106 9994 5017 8778 47
Chevron U.S.A. Inc. P.O. Box 2100 Houston, Texas 77252 Attn: Ms. Amber Delach	4 & 6 ✓	9414 8106 9994 5017 8778 85
ConocoPhillips Company P.O. Box 2197 Houston, Texas 77252 Attn: Mrs. Katusha Robert	5	9414 8106 9994 5017 8779 22
COG Operating LLC 600 W. Illinois Avenue One Concho Center Midland, Texas 79701 Attn: Mrs. Rita Buress	5, 9, 10 ✓ ✓	9414 8106 9994 5017 8779 46
Crown Oil Partners V, LP P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson	✓ 2	9414 8106 9994 5017 8780 42
Crump Energy Partners II, LLC P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson	✓ 2	9414 8106 9994 5017 8780 42

Nadel and Gussman Permian, LLC P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson	✓ 2	9414 8106 9994 5017 8780 42
MRC Permian LKE Company, LLC One Lincoln Centre 5400 LBJ Freeway, Ste. 1500 Dallas, Texas 75240 Attn: Mr. Trey Goodwin	✓ 2	8414 8106 9994 5017 8780 66
Caza Operating, LLC 200 N. Loraine, Ste. 1550 Midland, Texas 79701	✓ 3	8414 8106 9994 5017 8780 80
NMOCD 811 S. First St. Artesia, NM 88210	N/A	9414 8106 9994 5017 8781 41

Hollywood 28/33 W2IP Fed Com #1H



MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

September 15, 2016

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Well Location
and Non-Standard Proration Unit

Hollywood 28/33 W2IP Federal Com No. 1H (API No. 3001543893)

Surface Location: 2455' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)

First Take Point: 2310' FSL & 450' FEL (Unit I – Section 28, T23S, R27E)

Last Take Point: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)

Bottomhole Location: 330' FSL & 450' FEL (Unit P – Section 33, T23S, R27E)

Proration Unit: SE/4 Section 28, T-23-S, R-27-E, NMPM, Eddy County, New Mexico
and E/2 Section 33, T-23-S, R-27-E, NMPM, Eddy County, New Mexico

Pool: Forehand Ranch Wolfcamp Gas Pool (76780)

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox gas well location and non-standard proration unit for its Hollywood 28/33 W2IP Fed Com #1H located at the surface, first take point, last take point and bottomhole locations described above. The well will test the Forehand Ranch Wolfcamp Gas Pool and will be dedicated to a non-standard 480-acre gas spacing and proration unit comprising the SE/4 Section 28, T-23-S, R-27-E, NMPM, Eddy County, New Mexico and E/2 Section 33, T-23-S, R-27-E, NMPM, Eddy County, New Mexico. The unorthodox location and non-standard proration unit are necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the SE/4 of Section 28 and E/2 of Section 33.

As the owner of an interest that may be affected by the proposed unorthodox gas well location and Non-Standard Proration Unit, you are being provided notice as per Division rules and regulations. *Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you.* If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Corey Mitchell

Corey Mitchell
Landman

Enclosure

Xc: OCD-Artesia

Mewbourne Oil Company
Corey Mitchell
500 W Texas, STE 1020
MIDLAND TX 79701-4279

Hollywood 28 33 W2IP No
1H CM

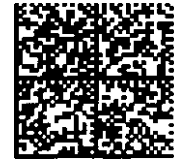
US POSTAGE AND FEES PAID

FIRST-CLASS

Sep 19 2016

Mailed from ZIP 79701
3 oz First-Class Mail Flats Rate

CID: 56133



endicia.com

071S00534813

USPS CERTIFIED MAIL

9414 8106 9994 5017 9132 17

New Mexico Oil Conservation Division
Attn: Leonard Lowe, Division Director
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225



Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, November 1, 2016 11:01 AM
To: 'Corey Mitchell'
Cc: Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; Holm, Anchor E.; Martin, Ed
Subject: APPROVED NSL-7470; NSP-2053_Hollywood 28 33 Federal Com 1H, Eddy County_SEC 28/33 23S 27E

Mr. Cory Mitchell,

The following permit has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/AEOrderCriteria.aspx>

NSL-7470

NSP-2053

Mewbourne Oil Company

API #: 30-015-43893

WELL: Hollywood 28 33 Federal Com 1H, Eddy County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>