

6/3/08	SUSPENSE	BROOKS	6/3/08	NSL	PKUR0815549542
DATE IN		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



Newbourne Oil Co.
Crow Flats 28 Federal
#1

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

5862

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
P.O. Box 1056
Santa Fe, New Mexico 87504

Signature

Attorney for Applicant
Title Date

jamesbruc@aol.com
e-mail Address

2008 MAY 31 AM 8:08 JUN 3 AM 8:48

RECEIVED

5/31/08

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

May 31, 2008

Richard Ezeanyim
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Ezeanyim:

Pursuant to Division Rule 104.F(2), Mewbourne Oil Company applies for approval of an unorthodox oil well location for the following well:

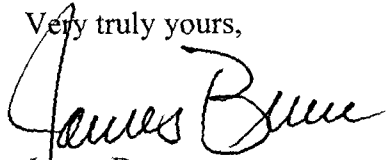
<u>Well:</u>	Crow Flats 28 Fed. Well No. 1
<u>Location:</u>	400 feet FNL & 1300 feet FWL
<u>Well Unit:</u>	NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 28, Township 16 South, Range 28 East, N.M.P.M., Lea County, New Mexico

The well will be drilled as a horizontal well to test the Wolfcamp formation. An APD for the well, with a form C-102, is attached as Exhibit A. The well's surface location was mandated by the BLM, and the horizontal wellbore will be orthodox in the Wolfcamp formation. **However**, in the event that the well is unsuccessful in the Wolfcamp formation, applicant will attempt a completion in the Penrose/Grayburg formation (wildcat), and it requests unorthodox location approval in that formation.

All of Section 28 is covered by Federal Lease NM 83066. Exhibit B. Ownership is common throughout the section. Therefore, there is no adversely affected interest owner, and notice of this application has not been given to anyone.

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

Very truly yours,

A handwritten signature in cursive script, reading "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Mewbourne Oil Company

OPERATOR'S COPY

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM83066
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Mawbourne Oil Company - 14744		7. If Unit or CA Agreement, Name and No.
3a. Address PO Box 5270 Hobbs, NM 88240		8. Lease Name and Well No. Crow Flats 28 Federal #1
3b. Phone No. (include area code) 505-393-5905		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 400' FNL & 1300' FWL Unit D At proposed prod. zone 400' FNL & 330' FEL Unit A		10. Field and Pool, or Exploratory CROW Flats Wolfcamp
14. Distance in miles and direction from nearest town or post office* 12 Miles East of Artesia		11. Sec., T., R., M., or Blk. and Survey or Area Sec 28-T16S-R28E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any) 400'	16. No. of Acres in lease 2560	12. County or Parish Eddy
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000'	17. Spacing Unit dedicated to this well 160	13. State NM
19. Proposed Depth 10300'	20. BLM/BIA Bond No. on file NM1693, Nationwide	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3589' GL	22. Approximate date work will start* ASAP	23. Estimated duration 45

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Jackie Lathan</i>	Name (Printed/Typed) Jackie Lathan	Date 12/21/07
Title Hobbs Regulatory		
Approved by (Signature) <i>Don Peterson</i>	Name (Printed/Typed) /s/ Don Peterson	Date 3/6/08
Title FIELD MANAGER		
Office CARLSBAD FIELD OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

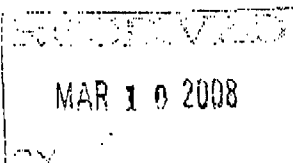
Roswell Controlled Water Basin

Witness Surface &
Intermediate Casing

EXHIBIT

A

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



Approval Subject to General Requirements
& Special Stipulations Attached

UNIT STATES OPERATOR'S COPY
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM83066
2. Name of Operator Mcwbourne Oil Company 14744		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 5270 Hobbs, NM 88240	3b. Phone No. (include area code) 505-393-5905	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T, R., M., or Survey Description) 400' FNL & 1250' FWL Sec 28, T16S, R28E Unit D		8. Well Name and No. Crow Flats 28 Federal #1
		9. API Well No.
		10. Field and Pool, or Exploratory Area Crow Flats Wolfcamp
		11. County or Parish, State Eddy County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Move location due to Arc</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Met Martin Stein w/BLM on location. Would not approve location @ 400' FNL & 1250' FWL, Sec 28, T16S, R28E. Restaked & BLM approved location @ 400' FNL & 1300' FWL. New C-102 enclosed.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jackie Lathan

Title Hobbs Regulatory Asst

Signature

Jackie Lathan

Date 02/13/08

Approved by (Signature)

Don Peterson

Name /s/ Don Peterson
(Printed/Typed)

Title FIELD MANAGER

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CARLSBAD FIELD OFFICE

Date

3/6/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on next page)

DISTRICT I
1585 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 18, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

under
E Red Lake Queen GB
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-36214	Pool Code	Pool Name Crow Flats Wolfcamp
Property Code	Property Name CROW FLATS "28" FEDERAL	Well Number 1
GRID No. 1474A	Operator Name MEWBOURNE OIL COMPANY	Elevation 3589'

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	28	16 S	28 E		400	NORTH	1300	WEST	EDDY

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
A	28	16 S	28 E		400	North	330	East	Eddy
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

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

	Lat.: N32°53'57.2" Long.: W104°11'05.0" N.: 690876.54 E.: 545815.80 (NAD-27) NIM 830661	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 an undivided mineral interest in the land including the proposed bottom hole 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>Jackie Lathan</i> Date: _____ Printed Name: Jackie Lathan 2/13/07
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. DECEMBER 12, 2007 Date Surveyed: _____ Signature & Seal of Professional Surveyor: <i>[Signature]</i> Certificate No. 18538 Jones 7977		BASIN SURVEYS

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 05/31/08 12:23 PM

Page 1 of 1

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
2,560.000

Serial Number
NMNM-- - 083066

Serial Number: NMNM-- - 083066

Name & Address

Int Rel % Interest

MEWBOURNE OIL CO	PO BOX 7698	TYLER TX 757117698	LESSEE	100.000000000
------------------	-------------	--------------------	--------	---------------

Serial Number: NMNM-- - 083066

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0160S	0280E	026	ALL		ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0160S	0280E	027	ALL		ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0160S	0280E	028	ALL		ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0160S	0280E	034	ALL		ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 083066
Pending Office

Act Date	Code	Action	Action Remarks
10/17/1989	387	CASE ESTABLISHED	PARCEL #195
10/18/1989	191	SALE HELD	
10/18/1989	267	BID RECEIVED	\$345600.00;
10/18/1989	392	MONIES RECEIVED	\$345600.00;
12/05/1989	237	LEASE ISSUED	
12/05/1989	974	AUTOMATED RECORD VERIF	AR/TJB
01/01/1990	496	FUND CODE	05;145003
01/01/1990	530	RLTY RATE - 12 1/2%	
01/01/1990	868	EFFECTIVE DATE	
01/19/1990	111	RENTAL RECEIVED	\$3840.00;21/005970719
01/22/1990	909	BOND ACCEPTED	EFF 01/16/90;NM1693
02/21/1990	600	RECORDS NOTED	
11/19/1990	111	RENTAL RECEIVED	\$3840.00;21/2938
11/19/1991	111	RENTAL RECEIVED	\$3840.00;21/4012
10/07/1993	575	APD FILED	MEWBOURNE OIL CO
12/09/1993	111	RENTAL RECEIVED	\$3840.00;21/3110
12/20/1993	578	APD REJECTED	1 VANDAGRIFF 27
12/20/1993	578	APD REJECTED	1 VANDAGRIFF FED 26
12/20/1993	578	APD REJECTED	2 VANDAGRIFF 27
01/11/1994	575	APD FILED	MEWBOURNE OIL CO
03/10/1994	576	APD APPROVED	1 VANDAGRIFF 26 FED
08/17/1994	650	HELD BY PROD - ACTUAL	
08/17/1994	658	MEMO OF 1ST PROD-ACTUAL	

Line Nr **Remarks**

Serial Number: NMNM-- - 083066

EXHIBIT **B**

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM