

DATE 2/27/03	SUSPENSE NA	ENGINEER WVT	LOGGED IN KN	TYPE DHC	PRV0305845498
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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]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

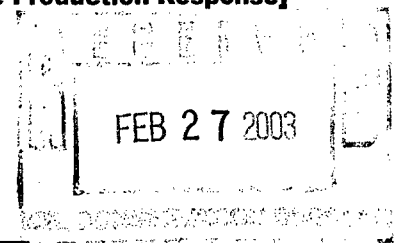
[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

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.

Ken M. Calvert  
 Print or Type Name

*Ken M. Calvert*  
 Signature

Engineering Manager  
 Title

2/25/03  
 Date

\_\_\_\_\_  
 e-mail Address

**MEWBOURNE OIL COMPANY**

**P.O. BOX 7698  
TYLER, TEXAS 75711  
903 - 561-2900  
FAX 903 - 561-1870**

February 26, 2003

UPS NEXT DAY AIR #N450 202 806 4

Mr. David Catanach  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Form C-107A  
Burton Flat "5" Federal #4  
Sec 5 T20S R28E  
Burton Flat, North; Strawn (Gas) and Angell Ranch; Atoka-Morrow (Gas) Pools  
Eddy Co., NM

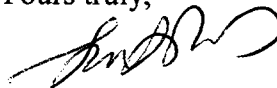
Dear Mr. Catanach:

Please find enclosed the following for the application to downhole commingle production from the Strawn and the Atoka-Morrow zones in the referenced well:

Form C-107A  
Attachments information  
Form C-102 for both zones  
Production curve (Atoka-Morrow only)  
Administrative Application Checklist

A copy of Form C-107A is being mailed today to the Bureau of Land Management Office in Roswell. If you need further information, please call me at (903) 561-2900.

Yours truly,



Janet Burns  
Reg. Tech.

cc: NMOCD - Artesia  
Bureau of Land Management - Roswell, NM  
Hobbs  
Midland  
Allen Brinson  
Wayne Jones  
Don Russell

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 South First Street, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE  
☒ Single Well  
☐ Establish Pre-Approved Pools  
EXISTING WELLBORE  
☒ Yes ☐ No

Operator Mewbourne Oil Company Address P. O. Box 7698, Tyler, TX 75711  
Lease Burton Flat "5" Federal #4 Well No. P - Sec 5, T20S, R28E Unit Letter-Section-Township-Range Eddy County  
OGRID No. 14744 Property Code 7869 API No. 30-015-31628 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>Burton Flat, North; Strawn (Gas)</u>		<u>Angell Ranch; Atoka-Morrow (Gas)</u>
Pool Code	<u>73410</u>		<u>70310</u>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	<u>10,295 - 10,303'</u>		<u>10,676 - 10,907'</u>
Method of Production (Flowing or Artificial Lift)	<u>Flowing</u>		<u>Flowing</u>
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	<u>60.0</u>		<u>N/A</u>
Producing, Shut-In or New Zone	<u>New Zone</u>		<u>Producing</u>
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Estimated rate: Rates: <u>15 BO, 300 MCFD, 0 BW</u>	Date: Rates:	Date: <u>2/23/03</u> Rates: <u>0 BO, 170 MCFD, 0 BW</u>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil <u>100 %</u> Gas <u>64 %</u>	Oil <u>%</u> Gas <u>%</u>	Oil <u>0 %</u> Gas <u>36 %</u>

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐  
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐  
Will commingling decrease the value of production? Yes ☐ No ☒  
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐  
NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
Production curve for each zone for at least one year. (If not available, attach explanation.)  
For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method or formula.  
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.  
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
List of all operators within the proposed Pre-Approved Pools  
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.  
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Janet Burns TITLE Reg. Tech. DATE 2/26/03  
TYPE OR PRINT NAME Janet Burns TELEPHONE NO. (903) 561-2900

**Attachments to C-107A**

Mewbourne Oil Company  
Burton Flat "5" Federal #4  
Unit Letter P, Sec 5 T20S R28E  
Burton Flat, North; Strawn (Gas) and Angell Ranch; Atoka-Morrow (Gas) Pools  
Eddy Co., NM

**C-102 for each zone to be commingled showing its spacing unit and acreage dedication**

**Production curve is attached (Atoka-Morrow only)**

**Estimated production rates and supporting data**

Test Data:

Atoka-Morrow	2/23/03 170 MCFD, 0 BO, 0 BW: current production
Strawn	300 MCFD, 15 BO, 0 BW: estimated initial production

**Data to support allocation method or formula**

Test as shown above for both zones

**Notification list of working, royalty and overriding royalty interests for uncommon interest cases**

No uncommon interests.

**Any additional statements, data or documents required to support commingling**

The well is completed with 5 1/2" OD casing. In order to dually complete the well to recover all economic reserves, the use of small diameter special clearance tubing would be required. Performing a dual completion as described could not be economically justified for a zone with limited deliverability. To produce the Strawn interval (upper zone) up the annulus (5 1/2" - 2 7/8") is not recommended due to liquid loading and insufficient velocity to lift produced fluids with the estimated gas rates listed above. The addition of the Strawn as a commingled zone will prevent waste that would not otherwise be possible due to the increased cost to produce each individual zone. Commingling will prevent early abandonment of each production zone.

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31628	Pool Code 70310	Pool Name Angell Ranch; Atoka-Morrow (Gas)
Property Code 7869	Property Name BURTON FLAT 5 FEDERAL	Well Number 4
OGRID No. 14744	Operator Name MEWBOURNE OIL CO.	Elevation 3289

Surface Location

UL or lot No. P	Section 5	Township 20 S	Range 28 E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line EAST	County EDDY
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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
Dedicated Acres 320	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

LOT 4	LOT 3	LOT 2	LOT 1
<p>1650'</p> <p>MDC Burton Flats 5-3</p> <p>Lease #NM88581</p> <p>3291.7 3287.3 3287.9 3291.9</p> <p>660'</p>			
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Terry Burke</i> Signature</p> <p>Terry Burke Printed Name</p> <p>Drilling Foreman Title</p> <p>January 8, 2001 Date</p>			
<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 30, 00</p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p>Ronald E. Edson 01/04/01 60-11-1622</p> <p>Certificate No. RONALD E. EDSON 3239 GARY EDSON 12841</p>			

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
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OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31628	Pool Code	Pool Name Burton Flat, North; Strawn (Gas)
Property Code 7869	Property Name BURTON FLAT 5 FEDERAL	Well Number 4
OGRID No. 14744	Operator Name MEWBOURNE OIL CO.	Elevation 3289

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	20 S	28 E		660	SOUTH	660	EAST	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
Dedicated Acres 320	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

LOT 4	LOT 3	LOT 2	LOT 1
<p>MDC Burton Flats 5-3</p> <p>1650'</p> <p>1650'</p>		<p>Lease #NM8358</p> <p>3291.7</p> <p>3287.3</p> <p>660'</p> <p>3291.9</p> <p>3287.9</p>	
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Janet Burns</i></p> <p>Signature</p> <p>Janet Burns</p> <p>Printed Name</p> <p>Reg. Tech.</p> <p>Title</p> <p>2/24/03</p> <p>Date</p>			
<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 30, 00</p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p>AWB</p> <p>Professional Surveyor</p> <p>NEW MEXICO</p> <p>60-11-1622</p> <p>01/02/01</p> <p>Certificate No. RONALD E. KIDSON 3239</p> <p>GARY KIDSON 12641</p>			

MEWBOURNE OIL COMPANY  
 BURTON FLAT "5" FEDERAL #4  
 ANGELL RANCH; ATOKA-MORROW (GAS)

