

DATE IN 6/18/09	SUSPENSE	ENGINEER W. Jones	LOGGED IN 6/18/09	TYPE DHC 4199	APP NO. PTGW0916955004
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
2009 JUN 18 PM 2 53 1230 South St. Francis Drive, Santa Fe, NM 87505



30-025-37460
Wilson South 18 stake #1
Mewbourne (14744)

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.

Robin Terrell		SR Production Engineer	06/16/09
Print or Type Name	Signature	Title	Date
		rterrell@mewbourne.com	
		e-mail Address	

RECEIVED

2009 JUN 18 PM 1 03

MEWBOURNE OIL COMPANY

PO BOX 5270
HOBBS, NM 88240
575-393-5905
FAX 575-397-6252

June 16, 2009

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Form C-107A
Wilson South 18 State #1
Commingled

To Whom It May Concern:

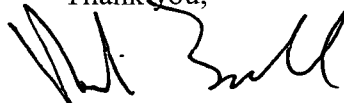
Please find enclosed the following for the application to downhole commingled production from the Osado Morrow & Wilson Wolfcamp South Gas Pools in the referenced well:

Form C107A
Attachments information
Form C-102 for both zones
Administrative Application Checklist

A copy of Form C-107A is being mailed today to the Bureau of Land Management in Carlsbad.

Mewbourne Oil Company would appreciate this commingled request being processed as soon as possible. If you need further information, please call me at (575) 390-4816.

Thank you,



Robin Terrell
SR Production Engineer

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

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

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Mewbourne Oil Company
Operator

PO Box 5270, Hobbs, NM 88240
Address

Wilson South 18 State #1 K - Sec 18, T21S, R35E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 14744 Property Code API No. 30-025-37460 Lease Type: Federal X State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wilson Wolfcamp South Oil		Osudo Morrow Gas
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10878' - 10940'		12046' - 12250'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
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)			
Producing, Shut-In or New Zone	Producing		Shut In
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.)	Current Rates 10 MCF 0 BO, 0 BW	Date: Rates:	Date: 02/25/07 Rates: 120 MCF 2 BO, 3 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 0% 7.5%	Oil Gas % %	Oil Gas 100% 92.5%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X 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 X No

Will commingling decrease the value of production? Yes No X

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 X 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 TITLE Sr Production Engineer DATE 06/16/09

TYPE OR PRINT NAME Robin Terrell TELEPHONE NO. (575) 393-5905

E-MAIL ADDRESS rterrell@mewbourne.com

MEWBOURNE OIL COMPANY
Wilson South 18 State #1
Unit Letter K, Sec 18 T21S R35E
Wilson Wolfcamp South and Osudo Morrow DHC
Lea Co., NM

Attachments to C-107A

- 1. C102 for each zone to be commingled showing its spacing unit & acreage dedication.**
- 2. Production curve for Morrow and Wolfcamp perfs.**

Osudo Morrow (Production 120 MCF 2 BO, 3 BW)
Wilson Wolfcamp South (Production 10 MCF, 0 BO, 0 BW)

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

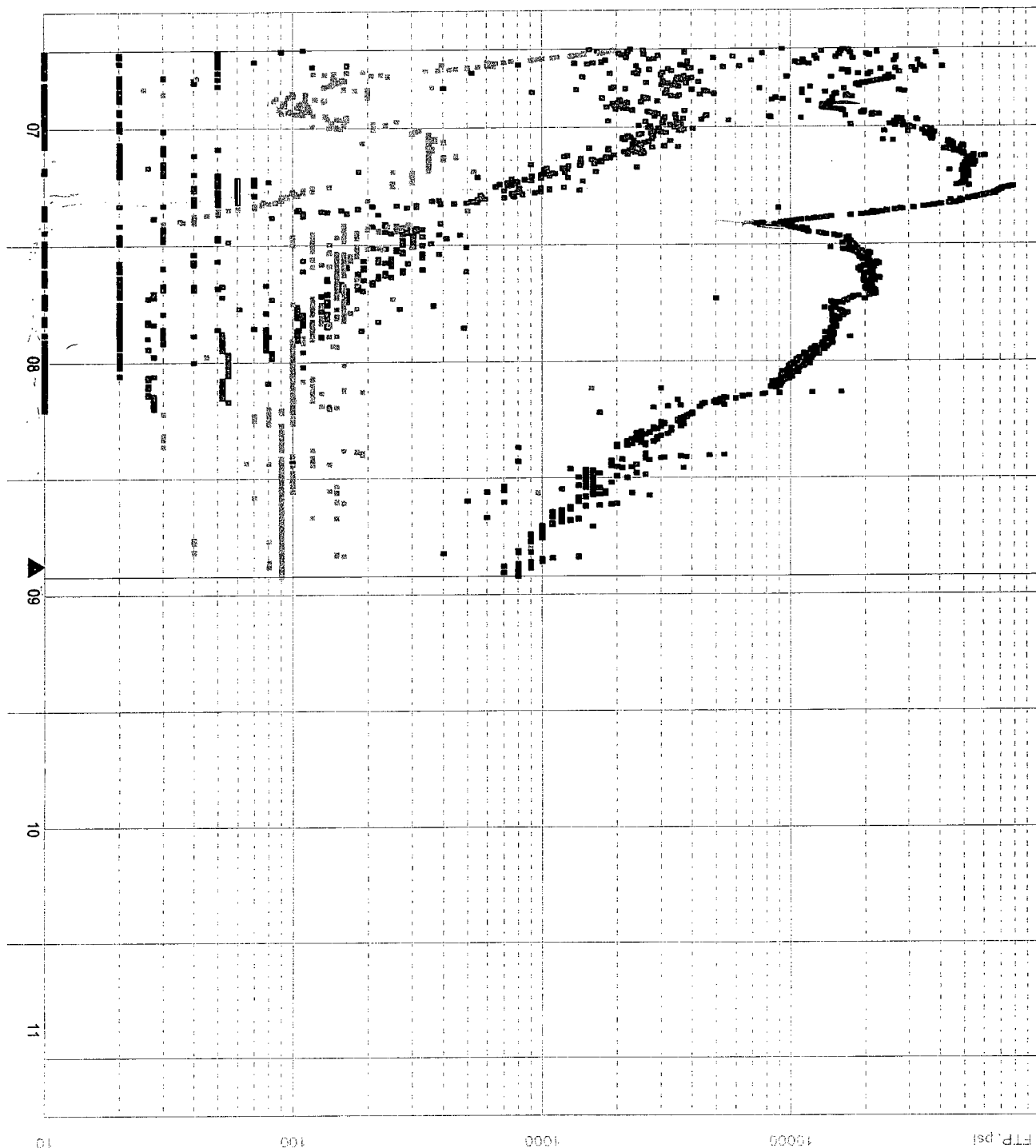
No uncommon interests.

- 4. Additional statements and data to support commingle.**

The well is completed with 5 ½" 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 Wolfcamp interval (upper zone) up the annulus (5 ½" - 2 ⅞") 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 Osudo Morrow with the Wilson Wolfcamp South 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 productive zone.

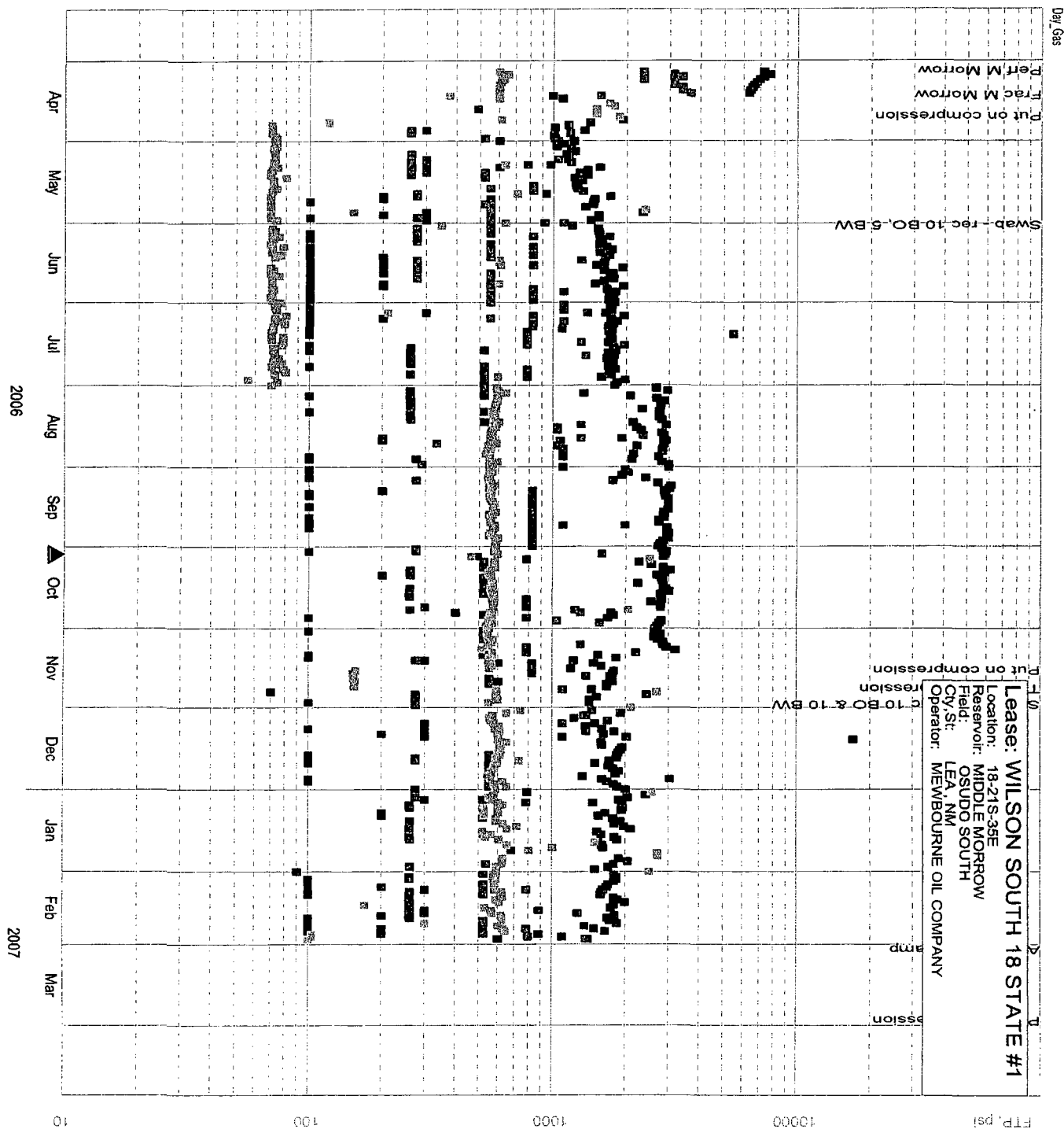
Lease: WILSON SOUTH 18 STATE #1
 Location: 18-21S-36E
 Reservoir: WOLF CAMP
 Field: OSUDO SOUTH
 City/State: LEA, NM
 Operator: MEWBOURNE OIL COMPANY

1	10	100	1000	Water, Bbl/day
1	10	100	1000	Oil, Bbl/day
0.1	1	10	100	Gas, Mcf/day



Gas, Mcf/day	6/2009	133360
Oil, Bbl/day	6/2009	59074
Water, Bbl/day	6/2009	1097
FTP, psi	6/2009	149078

0.1	1	10	100	Water, Bbl/day
0.1	1	10	100	Oil, Bbl/day
1	10	100	1000	Gas, Mct/day



Gas, Mct/day	6/2009
Ref=	67029
Cum=	67029
Oil, Bbl/day	6/2009
Ref=	1883
Cum=	1883
Water, Bbl/day	6/2009
Ref=	186
Cum=	186
FTP, psi	6/2009
Ref=	162161
Cum=	162161

DISTRICT I
1001 M. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form U-102
Revised March 17, 1999
Instruction on back
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	Pool Code	Pool Name <i>Wilson Wolfcamp South</i>
Property Code	Property Name WILSON SOUTH "18" STATE	Well Number 1
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3657

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	18	21S	35E		1980	SOUTH	1980	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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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 1	MOC's <input type="checkbox"/> San Simon 18 St Com #1		
Lot 2	P & A • Shell St #15 Wilson Oil Co.		
Lot 3	Lease #V5917	N.32°28'38.0" W.103°24'30.6" N.538516.2 E.785353.8 (NAD-27)	
Lot 4			

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'

OPERATOR CERTIFICATION

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

Kristi Green
Signature

Kristi Green
Printed Name

Hobbs Regulatory
Title

09/13/05
Date

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.

8/22/2005
Date Surveyed

Signature & Seal of Professional Surveyor

Herschel L. Jones
3640

Certificate No. Herschel L. Jones RLS 3640
WILSON SOUTH 18-1
GENERAL SURVEYING COMPANY

DISTRICT I
1225 N. Ranch Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
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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	Pool Code	Pool Name Osudo Morrow
Property Code	Property Name WILSON SOUTH "18" STATE	Well Number 1
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3657

Surface Location

UL or lot No. K	Section 18	Township 21S	Range 35E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 1980	East/West line WEST	County LEA
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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
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Lot 4			

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'

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I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
Kristi Green
Signature
Kristi Green
Printed Name
Hobbs Regulatory
Title
09/13/05
Date

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.
8/22/2005
Date Surveyed
Herschel L. Jones
Signature & Seal of Professional Surveyor
Certificate No. Herschel L. Jones RLS 3640
WILSON SOUTH
GENERAL SURVEYING COMPANY