

DATE IN <u>7/13/09</u>	SUSPENSE	ENGINEER <u>Jones</u>	LOGGED IN <u>7/13/09</u>	TYPE <u>DHC</u>	PTG-W APP NO. <u>0919456363</u>
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RECEIVED

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

2009 JUL 13 PM 3 25

- Engineering Bureau -

220 South St. Francis Drive, Santa Fe, NM 87505



30-025-39020

Mewbourne (14744)

Pear "26" Well No. 3

0-26-195-35E

## 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  
Print or Type Name

[Signature]  
Signature

SR Production Engineer  
Title

07/10/09  
Date

rterrell@mewbourne.com  
e-mail Address

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

July 10, 2009

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

RE: Form C-107A  
Pearl "26" #3  
Recompletion & Commingle

To Whom It May Concern:

Please find enclosed the following for the application to downhole commingle production from the Pearl San Andres & Pearl Queen in the referenced well:

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

? Fee well

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

Mewbourne Oil Company would appreciate this commingle 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

MEWBOURNE OIL COMPANY  
Pearl "26" #3  
Unit Letter O, Sec 26 T19S R35E  
Pearl San Andres and Pearl Queen  
Lea Co., NM

**Attachments to C-107A**

- 1. C102 for each zone to be commingled showing its spacing unit & acreage dedication.**
- 2. Estimated production from Pearl Queen & tested rates from Pearl San Andres.**

Pearl San Andres (Tested production 15 MCF 30 BO, 130 BW)  
Pearl Queen (Estimated 15 MCF, 30 BO, 130 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.**

Downhole commingling of these pools is common & will not reduce reserves of either reservoirs.

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

2009 JUL 13 PM 1:31

Mewbourne Oil Company \_\_\_\_\_ PO Box 5270, Hobbs, NM 88240  
Operator \_\_\_\_\_ Address

Pearl 26 #3 \_\_\_\_\_ O - Sec 26, T19S, R35E \_\_\_\_\_ Lea \_\_\_\_\_  
Lease \_\_\_\_\_ Well No. \_\_\_\_\_ Unit Letter-Section-Township-Range \_\_\_\_\_ County \_\_\_\_\_

OGRID No. 14744 Property Code 36669 API No. 30-025-39020 Lease Type: Federal State X Fee

DATA ELEMENT	UPPER ZONE UNDES	INTERMEDIATE ZONE	LOWER ZONE ✓
Pool Name	Pearl Queen		Pearl San Andres
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Queen @ 4836' - 4846'		5260 - 5268'
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
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	New Zone		Producing
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.)	Estimated Rates  15 MCF 30 BO, 130 BW	Date:  Rates:	Date: 07/10/09  Rates: 15 MCF 30 BO, 130 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 50 % 50 %	Oil Gas % %	Oil Gas 50 % 50 %

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 07/10/09

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

E-MAIL ADDRESS rterrell@mewbourne.com

DISTRICT I  
1625 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  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-39020	Pool Code 49780	Pool Name Pearl Queen
Property Code	Property Name PEARL "26"	Well Number 3
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3691'

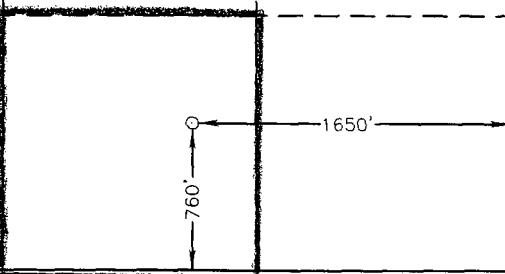
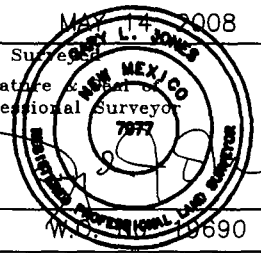
Surface Location

UL or lot No. 0	Section 26	Township 19 S	Range 35 E	Lot Idn	Feet from the 760	North/South line SOUTH	Feet from the 1650	East/West line EAST	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 40	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

<div>Lat.: N32°37'33.99" Long.: W103°25'27.04" SPC- N.: 592686.548 E.: 779906.441 (NAD-27)</div> <div></div>	<b>OPERATOR CERTIFICATION</b>  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 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.  Jackie Lathan 12/24/08 Signature Date  Jackie Lathan Printed Name
	<b>SURVEYOR CERTIFICATION</b>  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.
	<div>MAY 14 2008 Date Surveyed Signature Professional Surveyor 7977</div> <div></div>
	Certificate No. Gary L. Jones 7977  BASIN SURVEYS

DISTRICT I  
1625 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  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-39020</b>	Pool Code <b>49810</b>	Pool Name <b>Pearl San Andres</b>
Property Code	Property Name <b>PEARL "26"</b>	Well Number <b>3</b>
OGRID No. <b>14744</b>	Operator Name <b>MEWBOURNE OIL COMPANY</b>	Elevation <b>3691'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>0</b>	<b>26</b>	<b>19 S</b>	<b>35 E</b>		<b>760</b>	<b>SOUTH</b>	<b>1650</b>	<b>EAST</b>	<b>LEA</b>

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 <b>40</b>	Joint or Infill	Consolidation Code	Order No.
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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

<div>Lat.: N32°37'33.99" Long.: W103°25'27.04" SPC- N.: 592686.548 E.: 779906.441 (NAD-27)</div> <div>760'</div> <div>1650'</div>	<b>OPERATOR CERTIFICATION</b>  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 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.  <div>Signature: <u>Jackie Lathan</u> Date: <u>12/24/08</u></div> <div>Printed Name: <u>Jackie Lathan</u></div>
	<b>SURVEYOR CERTIFICATION</b>  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.  <div>Date Surveyed: <u>MAY 14 2008</u> Signature: <u>GARY L. JONES</u> Professional Surveyor 7977</div>
	<div>Certificate No. Gary L. Jones 7977</div>
	<b>Basin Surveys</b>