

PTG-W
1101352420

DATE IN 1-12-11	SUSPENSE	ENGINEER DKB	LOGGED IN 1.13.11	TYPE NSL	APPROVAL James Bruce 9KL
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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



Newbourn 9KL
Dunsmuir #1H
6329
30-015-38402

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.

James Bruce

Print or Type Name

Signature

Attorney

Title

Date

jamesbruc@aol.com
e-mail Address

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2011 JAN 12 PM 2:28

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

January 11, 2011

David Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to NMAC 19.15.15.13, Mewbourne Oil Company applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Gunsmoke 9 KL Well No. 1
<u>Surface location:</u>	1750 feet FSL & 2270 feet FEL
<u>Entry point in Yeso:</u>	1750 feet FSL & 2610 feet FWL
<u>Beginning of producing interval:</u>	1750 feet FSL & 2310 feet FWL
<u>Bottom hole location:</u>	1750 feet FSL & 330 feet FWL
<u>Well unit (project area):</u>	N½SW¼ of Section 9, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

The well will be drilled to a depth sufficient to test the North Seven Rivers Glorieta-Yeso Pool. The pool is spaced on statewide rules, with 40 acre spacing, and wells to be located no closer than 330 feet to a quarter-quarter section line. A Form C-102 is attached as **Exhibit A**.

Although the well penetrates the top of the Yeso formation at an unorthodox location approximately 2610 feet from the west line of Section 9, in Unit K, the start of the productive (perforated) interval of the wellbore will be at an orthodox location in Unit K. The directional drilling plan is submitted as **Exhibit B**.

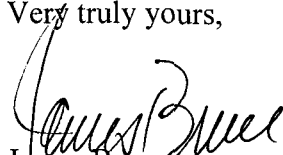
Placing the surface location to the east of the well unit allows the operator to maximize the productive length of the wellbore. In addition, moving the surface location to the west would place the location in the streambed of Middle Seven Rivers. **Exhibit C**.

Mewbourne
14554

Due to the well's directional plan, the entry point in the Yeso encroaches on the SE¼ of Section 9. That acreage is operated by Mewbourne Oil Company. **Exhibit D.** Notice of the application has been given to Devon Energy Production Company, L.P., which does not own a working interest in the well unit. **Exhibit E.**

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

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

DISTRICT I
1825 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 July 16, 2010

Submit one copy to appropriate
District Office

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

N. 7 R. Morieta Yeso

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-38402	Pool Code H795 97565	Pool Name Cemetery, Yeso
Property Code	Property Name GUNSMOKE "9" KL	Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3457'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	9	20 S	25 E		1750	SOUTH	2270	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		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

<p>EXHIBIT <u>A</u></p> <p>SURFACE LOCATION Lat - N 32°35'07.61" Long - W 104°29'17.35" NMSPCE- N 576731.201 E 452314.173 (NAD-27)</p> <p>2270'</p> <p>1750'</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</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>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor</p> <p>GARY L. JONES DECEMBER 1, 2010 NEW MEXICO PROFESSIONAL LAND SURVEYOR NO. 23874</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS 23874</p>
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Mewbourne Oil Co

**Eddy, New Mexico
Sec 9-20S-25E
Gunsmoke 9 KL #1H**

Wellbore #1

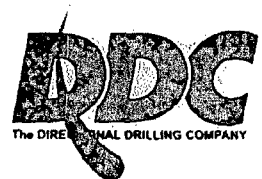
Plan: Design #1

DDC Well Planning Report

07 January, 2011

EXHIBIT

B



DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Gunsmoke 9 KL #1H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Project:	Eddy, New Mexico	MD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Site:	Sec 9-20S-25E	North Reference:	Grid
Well:	Gunsmoke 9 KL #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project:	Eddy, New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Sec 9-20S-25E		
Site Position:		Northing:	579,246.53 usft
From:	Map	Easting:	452,285.51 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 35' 32.491 N
		Longitude:	104° 29' 17.728 W
		Grid Convergence:	-0.08 °

Well:	Gunsmoke 9 KL #1H		
Well Position:	+N-S -2,515.3 usft	Northing:	576,731.20 usft
	+E-W 28.7 usft	Easting:	452,314.17 usft
Position Uncertainty:	0.0 usft	Wellhead Elevation:	
		Latitude:	32° 35' 7.601 N
		Longitude:	104° 29' 17.350 W
		Ground Level:	3,457.0 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	1/7/2011	8.08	60.37	48,773

Design:	Design #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N-S (usft)	+E-W (usft)	Direction (°)
	0.0	0.0	0.0	270.93

Plan Sections:										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N-S (usft)	+E-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,918.1	0.00	0.00	1,918.1	0.0	0.0	0.00	0.00	0.00	0.00	
2,825.5	90.74	270.93	2,491.0	9.4	-580.3	10.00	10.00	-9.82	270.93	
4,920.4	90.74	270.93	2,464.0	43.2	-2,674.8	0.00	0.00	0.00	0.00	PBHL Gunsmoke 9

DDC
Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Gunsmoke 9 KL #1H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Project:	Eddy, New Mexico	MD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Site:	Sec 9-20S-25E	North Reference:	Grid
Well:	Gunsmoke 9 KL #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00	
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00	
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00	
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00	
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00	
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
Build 10°/100' @ 1918' MD										
1,918.1	0.00	0.00	1,918.1	0.0	0.0	0.0	0.00	0.00	0.00	
2,000.0	8.19	270.93	1,999.7	0.1	-5.8	5.8	10.00	10.00	0.00	
2,100.0	18.19	270.93	2,097.0	0.5	-28.6	28.6	10.00	10.00	0.00	
2,200.0	28.19	270.93	2,188.8	1.1	-68.0	68.0	10.00	10.00	0.00	
2,300.0	38.19	270.93	2,272.3	2.0	-122.6	122.6	10.00	10.00	0.00	
2,400.0	48.19	270.93	2,345.2	3.1	-191.0	191.0	10.00	10.00	0.00	
2,500.0	58.19	270.93	2,405.0	4.4	-270.9	270.9	10.00	10.00	0.00	
2,600.0	68.19	270.93	2,450.0	5.8	-360.0	360.1	10.00	10.00	0.00	
2,700.0	78.19	270.93	2,478.9	7.4	-455.6	455.7	10.00	10.00	0.00	
2,800.0	88.19	270.93	2,490.8	9.0	-554.8	554.9	10.00	10.00	0.00	
EOB @ 2826' MD / 90.74° Inc / 270.93° Azm / 2491' TVD										
2,825.5	90.74	270.93	2,491.0	9.4	-580.3	580.3	10.00	10.00	0.00	
2,900.0	90.74	270.93	2,490.0	10.6	-654.8	654.9	0.00	0.00	0.00	
3,000.0	90.74	270.93	2,488.8	12.2	-754.7	754.8	0.00	0.00	0.00	
3,100.0	90.74	270.93	2,487.5	13.8	-854.7	854.8	0.00	0.00	0.00	
3,200.0	90.74	270.93	2,486.2	15.4	-954.7	954.8	0.00	0.00	0.00	
3,300.0	90.74	270.93	2,484.9	17.0	-1,054.7	1,054.8	0.00	0.00	0.00	
3,400.0	90.74	270.93	2,483.6	18.6	-1,154.7	1,154.8	0.00	0.00	0.00	
3,500.0	90.74	270.93	2,482.3	20.3	-1,254.6	1,254.8	0.00	0.00	0.00	
3,600.0	90.74	270.93	2,481.0	21.9	-1,354.6	1,354.8	0.00	0.00	0.00	
3,700.0	90.74	270.93	2,479.7	23.5	-1,454.6	1,454.8	0.00	0.00	0.00	
3,800.0	90.74	270.93	2,478.4	25.1	-1,554.6	1,554.8	0.00	0.00	0.00	
3,900.0	90.74	270.93	2,477.2	26.7	-1,654.6	1,654.8	0.00	0.00	0.00	
4,000.0	90.74	270.93	2,475.9	28.3	-1,754.5	1,754.8	0.00	0.00	0.00	
4,100.0	90.74	270.93	2,474.6	30.0	-1,854.5	1,854.8	0.00	0.00	0.00	
4,200.0	90.74	270.93	2,473.3	31.6	-1,954.5	1,954.7	0.00	0.00	0.00	
4,300.0	90.74	270.93	2,472.0	33.2	-2,054.5	2,054.7	0.00	0.00	0.00	
4,400.0	90.74	270.93	2,470.7	34.8	-2,154.4	2,154.7	0.00	0.00	0.00	
4,500.0	90.74	270.93	2,469.4	36.4	-2,254.4	2,254.7	0.00	0.00	0.00	
4,600.0	90.74	270.93	2,468.1	38.0	-2,354.4	2,354.7	0.00	0.00	0.00	
4,700.0	90.74	270.93	2,466.8	39.6	-2,454.4	2,454.7	0.00	0.00	0.00	
4,800.0	90.74	270.93	2,465.6	41.3	-2,554.4	2,554.7	0.00	0.00	0.00	
4,900.0	90.74	270.93	2,464.3	42.9	-2,654.3	2,654.7	0.00	0.00	0.00	

DDC Well Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Gunsmoke 9 KL #1H
Company:	Mewbourne Oil Co	TVD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Project:	Eddy, New Mexico	MD Reference:	WELL @ 3476.0usft (Patterson UTI #101)
Site:	Sec 9-20S-25E	North Reference:	Grid
Well:	Gunsmoke 9 KL #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

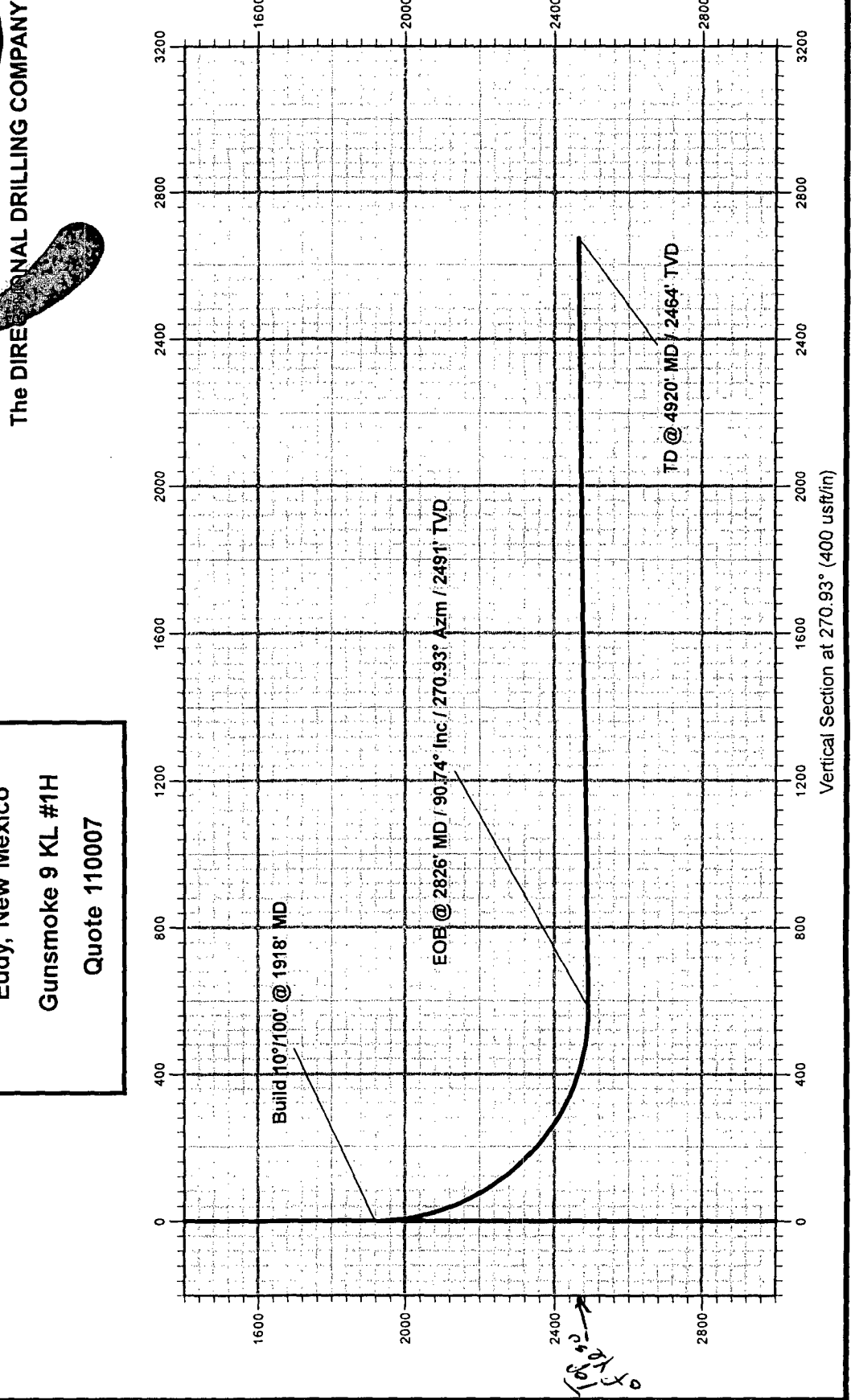
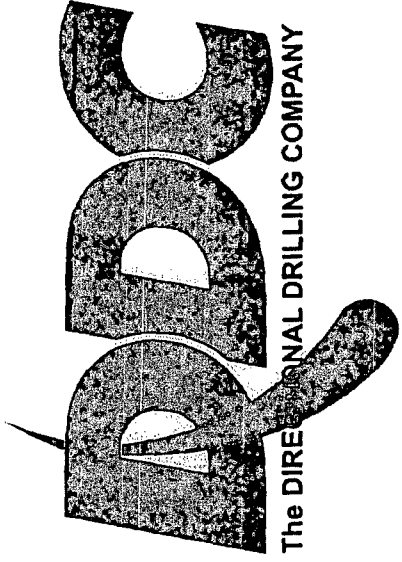
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
TD @ 4920' MD / 2464' TVD									
4,920.4	90.74	270.93	2,464.0	43.2	-2,674.8	2,675.1	0.00	0.00	0.00

Design Targets									
Target Name	Hit/Miss Target	Dip Angle (°)	Dip Dir (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	
Shape									Latitude Longitude
PBHL Gunsmoke 9 KI		0.00	360.00	2,464.0	43.2	-2,674.8	576,774.40	449,639.40	32° 35' 7.989 N 104° 29' 48.614 W
- plan hits target center									
- Point									

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
1,918.1	1,918.1	0.0	0.0	Build 10°/100' @ 1918' MD
2,825.5	2,491.0	9.4	-580.3	EOB @ 2826' MD / 90.74° Inc / 270.93° Azm / 2491' TVD
4,920.4	2,464.0	43.2	-2,674.8	TD @ 4920' MD / 2464' TVD

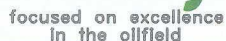
Mewbourne Oil Company

Eddy, New Mexico
Gunsmoke 9 KL #1H
Quote 110007



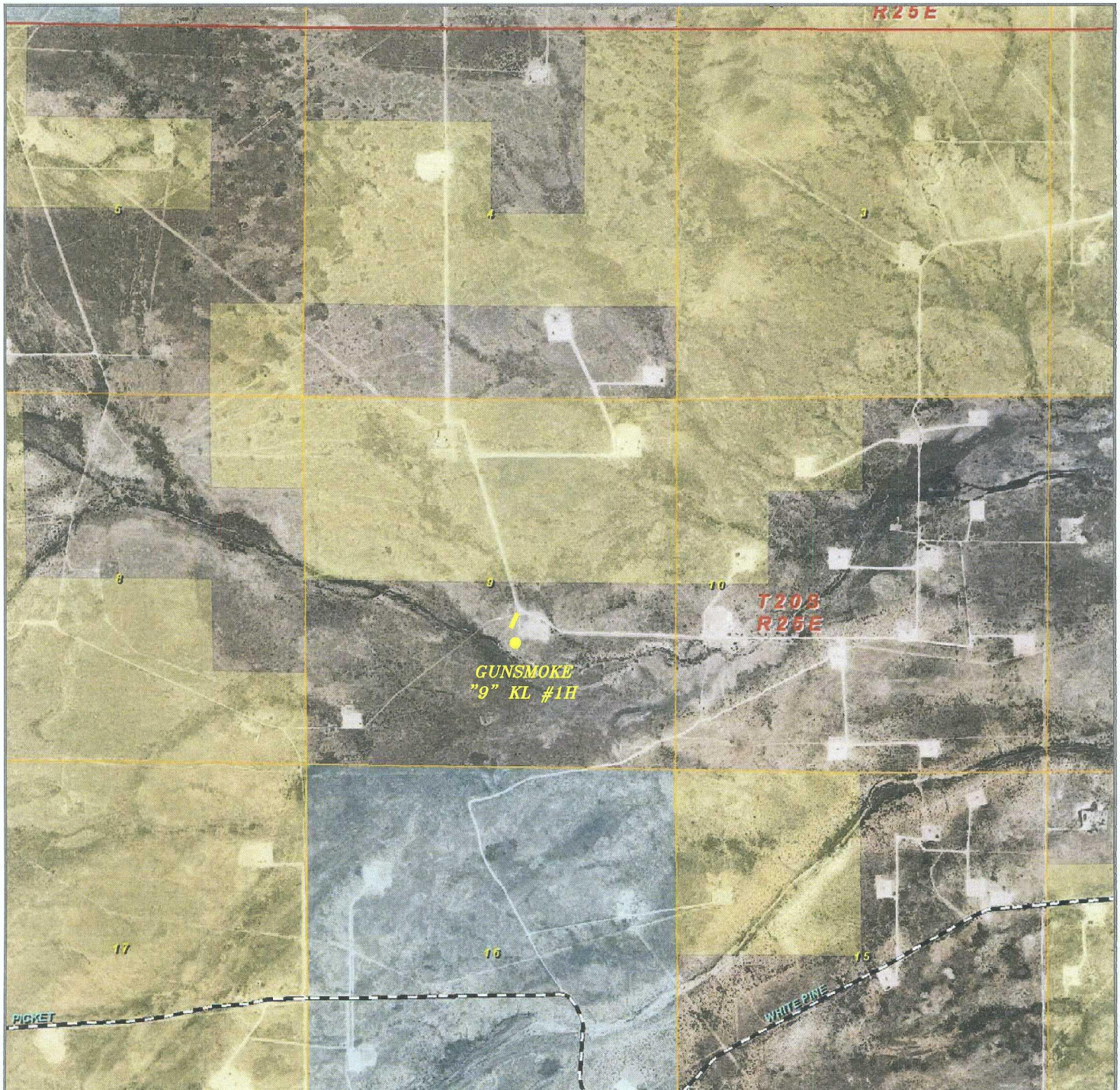


Located 1750' FSL and 2270' FEL
Section 9, Township 20 South, Range 25 East,
N.M.P.M., Eddy County, New Mexico.



Date: 12-16-2010





GUNSMOKE "9" KL #1H

Located 1750' FSL and 2270' FEL
 Section 9, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 23874

Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



MEWBOURNE
 OIL COMPANY

Offset Ownership
Gunsmoke 9 KL No. 1H
Section 9, T20S, R25E
Eddy County, New Mexico

W/2 of Section 9:

Mewbourne Oil Company – Operator

(Mewbourne Oil Company, Kaiser-Francis Oil Company, Merit Energy Company, Gunsight Limited Partnership, D2 Resources, LLC, Solis Energy, LLC and PAC Triple Crown, LLC are the working interest parties in the W/2 of Section 9; all subject to the W/2 of Section 9 JOA whereby Mewbourne Oil Company is Operator)

E/2 of Section 9:

Mewbourne Oil Company- Operator

(Mewbourne Oil Company, Kaiser-Francis Oil Company, Devon Energy Production Company, LP and Merit Energy Company are the working interest parties in the E/2 of Section 9; all subject to the E/2 of Section 9 JOA whereby Mewbourne Oil Company is Operator)

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

January 11, 2011

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

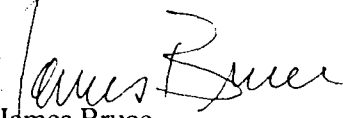
Devon Energy Production Company, L.P.
Suite 1500
20 North Broadway
Oklahoma City, Oklahoma 73102

Attention: Ken Gray
Land Department

Dear Sirs:

Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the N½SW¼ of Section 9, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. A copy of the application is enclosed. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT

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