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2. Name of Operator   Carl Ebbd "15" Pederal Comp MewPourne Oil Company     3. Address   Sa. Address     p. O. Box 7698, Tyler, TX 75711   (903) 561-2900     10. Field and Pool, or Exploratory Ara Acalesia   Address     A. Location of Well (Pooley, Sc. T, K. M. or Survey Description)   No. 1550' FWL (Morrow)     Carl Ebbd "15" Pederal Com. #1: 1980' FSL, 1850' FWL (Morrow)   II. Comp or Parina, State     Carl Ebbd "15" Pederal Com. #2: 1780' FSL, 1850' FWL (Morrow)   II. Comp or Parina, State     Sec. 15, T215, F26E   Eddy Co., NM     I2. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA     TYPE OF SUBMISSION   TYPE OF ACTION     IS basequent Report   Address     I3. basequent Report   Carls Repair     I3. basequent Report   Carls Repair     I4. Interby certify that the foregoing is true and correct     Name (Prime/Synd)   Carls abad with a digetion results in a subtige completion of the involved operations. If the operations with Buffeld only site all perimet details, including returning data of any proposed with a digetion and perimet details including returning data of any perimet details including returning data of any perimet details in the operation results in a subtige completion of the involved operations. If the operation results in a subtige completion of the involved operations. If the operation withe shall be field only siter all requirements, including retaintio	1. Type of Well	Other			
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X   Notice of latent   Acidize   Deepen   Production (Start/Resume)   Water Shut-Off     Subsequent Report   Casing Repair   New Construction   Recomplete   Weit Integrity     Final Abandonment Notice   Change Plans   Plug and Abandon   Comportify Abandon   commingling of gas     3. Describe Proposed or Completed Operation (clearly state all perinem details, including estimated durating date of any proposed work and approximate duration that the proposal is to deepen directionally or recompletion leads including estimated barding date of any proposed work and approximate duration the reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with BLAVIBA. Recipied abbeguent reports shall be filed with 30 of file with 30 of fil	······································				
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14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)   Title     Ken M. Calvert   Engineering Manager     Signathre   Date     6/6/00   6/6/00     Intributed to prove by   ORIG. SGD     ORIG. SGD   FS BABYAF     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   Office     Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant to conduct operations thereon.   Office	determined that the rile is ready	y for final inspection.)			
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Ken M. Calvert   Engineering Manager     Signature   Date     M. Calvert   6/6/00     THIS SPACE FOR FEDERAL OR STATE OFFICE USE     Approved by   (ORIG. SGD)     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					
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Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictition	Please see attac 14. I hereby certify that the foregon Name (Printed/Typed) Ken M. Calvert Signathre M. Colvert Signathre M. Colvert Signathre Signathre M. Colvert Signathre M. Colvert Signathre M. Colvert Signathre M. Colvert Signathre M. Colvert Signathre Sig	bing is true and correct	Title Date FOR FEDERAL OR	Engineering 6/6/00 STATE OFFICE U ETROLEUM E	SE

(Instructions on reverse)



Attachment to Form 3160-5 (Sundry Notices and Reports on Wells) Item No. 13 Mewbourne Oil Company Carlsbad "15" Federal Com. #1 & #2 wells Sec. 15 T21S R26E Eddy Co., New Mexico

Natural gas is now sold from Carlsbad "15" #1 (Avalon, Morrow) and Carlsbad "15" #2 (Avalon, Strawn) through a common line to El Paso Field Services at a Master Meter point in Sec 16-T21S-R26E. The gas was originally purchased by LG&E beginning March 12, 1998. However, LG&E restricted production of lean Morrow gas delivered into its gas plant. In order to maximize profit from the well and to generate a quick cash flow, Mewbourne had to build a line of its own to El Paso Field Services. Deliveries to LG&E ceased on June 1, 1998, and were switched on the same day to El Paso Field Services. Flow could then be stabilized at 15,000 MCFD. The line extends from the well pad site in the SW/4 of Section 15-T21S-R26E to the El Paso Master Meter in SW/4 of Section 16-T21S-R26E as shown on the attached plats of Sections 15 and 16.

In addition, in order to sell gas from both the Carlsbad "15" #1 and Carlsbad "15" #2 to El Paso and to utilize the same compressor by both wells, it was necessary to commingle both gas streams upstream of the compressor. This allows the use of a common line to El Paso. In addition to the capital and expense saved by the commingling, land was not disturbed by duplicate lines, and engine emissions are reduced by the use of a single compressor.

The gas is allocated back to each well on a BTU basis. Each well is metered separately, and the volume in MCF is adjusted to a BTU basis by applying the individual well's BTU factor. Finally, custody transfer is accomplished at the El Paso Master Meter No. 68456 with compressor fuel gas being used proportionately as to the BTU based throughput.







## **MEWBOURNE OIL COMPANY**

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

June 6, 2000

UPS NEXT DAY AIR #N168 224 648 3

Mr. Armando Lopez Bureau of Land Management Division of Lands and Minerals 2909 W. Second Street Roswell, NM 88201

Re: Application for surface commingling of gas streams and off-lease sales Carlsbad "15" Federal Com. #1 & #2 wells NMNM101353 and NMNM101368 Sec. 15 T21S R26E Eddy Co., New Mexico

Dear Mr. Lopez:

With reference to the Guidelines for Off-Lease Measurement, Storage, and Surface Commingling Approval, please find enclosed the following documents in support of our application for surface commingling of gas streams and off-lease sales of gas from the above-captioned wells:

- 1. Sundry Notice Form 3160-5 with attachment (Item #13)
- 2. Exhibit "A" and Exhibit "B" to Communitization Agreement dated 3/1/98 (#1 well) Exhibit "A" and Exhibit "B" to Communitization Agreement dated 12/1/98 (#2 well)
- 3. Schematic diagram which clearly identifies and places all equipment to be utilized.

4. Estimated monthly production from each contributing well:

Carlsbad "15" #1 (Morrow)	(6/2/98)	14,907 MCFD 1028 BTU (14.73 Dry) 0.583 Sp. Gr.
	(5/1/00)	1,903 MCFD 1028 BTU (14.73 Dry) 0.583 Sp. Gr.



Mr. Armando Lopez

Page 2

June 6, 2000

4. Estimated monthly production (continued)

Carlsbad "15" #2 (Strawn)	(12/20/98)	540 MCFD 1240 BTU (14.73 Dry) 0.719 Sp. Gr.
	(5/1/00)	440 MCFD 1240 BTU (14.73 Dry) 0.719 Sp. Gr.

5. Details of proposed method for measuring and allocating production for each lease involved:

Measurement is being conducted in the manner indicated on the schematic diagram. Both wells are split connected to both El Paso (Mewbourne/Carlow Gas) and to Pinnacle (Devon Gas). Gas is sold to the respective pipelines on a BTU basis. The Mewbourne portion of the gas is allocated on a BTU basis to each of the two wells upstream of the El Paso Master Meter. Devon has individual sales meters to Pinnacle on the well pad location. "Beneficial use" volumes both on and off-lease are identical.

- 6. All working interest owners have been notified of this gas sales procedure through AFE's.
- 7. Royalties to Federal, State, and Fee owners are identical regardless of how the gas is allocated, sold, or split in that the ownership of the two wells is identical as shown on Exhibits "A" and "B" of the enclosed Communitization Agreements.
- 8. Detailed economic justification is not applicable.

Should you require more information, please call me at (903) 561-2900.

Yours sincerely,

K. M. Campt

Ken M. Calvert **Engineering Manager** 

KMC/jb

Enclosures

Gene Hunt cc: Hobbs



CODA BOSMERCELIERD OFFICE