

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division  
811 S. 1st Street  
Artesia, NM 88210-2834

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other Instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Mewbourne Oil Company

3a. Address  
P. O. Box 7698, Tyler, TX 75711

3b. Phone No. (include area code)  
(903) 561-2900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Carlsbad "15" Federal Com. #1: 1980' FSL, 1850' FWL (Morrow)  
Carlsbad "15" Federal Com. #2: 1780' FSL, 1850' FWL (Strawn)  
Sec. 15, T21S, R26E

5. Lease Serial No.

**NM NM 3606A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CANMNM101353

CANMNM101368

8. Well Name and No. #1 & #2 wells

Carlsbad "15" Federal Com.

9. API Well No. 30-015-29759 ✓  
30-015-30471

10. Field and Pool, or Exploratory Area

Avalon Morrow, Avalon Strawn

11. County or Parish, State

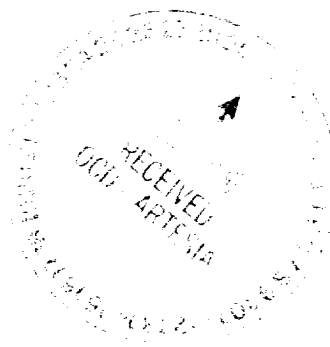
Eddy Co., NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>commingling of gas</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>streams. Offlease sales.</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Please see attached.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Ken M. Calvert

Signature

*K. M. Calvert*

Title

Engineering Manager

Date

6/6/00

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

(ORIG. SGD) LES BABYAK

Title

PETROLEUM ENGINEER

Date

JUN 27 2000

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

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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



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

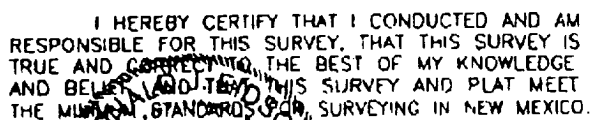
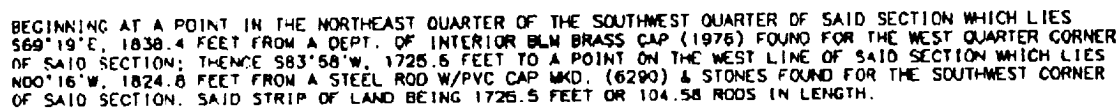
Natural gas is now sold from Carlsbad "15" #1 (Avalon, Morrow) and Carlsbad "15" #2 (Avalon, Strawn) through a common line to El Paso Field Services at a Master Meter point in Sec 16-T21S-R26E. The gas was originally purchased by LG&E beginning March 12, 1998. However, LG&E restricted production of lean 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.



AST, N.M.P.M.,  
NEW MEXICO.



NEW MEXICO  
ROBERT J. EIDSON N.M.  
GARRETT EIDSON N.M.  
No 3239  
No. 12641

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

A PIPELINE CROSSING FEE LAND IN  
SECTION 15,  
TOWNSHIP 21 SOUTH,  
RANGE 26 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

Rev. 4/16/98

Survey Date: 4/13/98

Sheet 1 of 1 Sheets

W.O. Number: 98-11-0591

Drawn By: D.McCARLEY

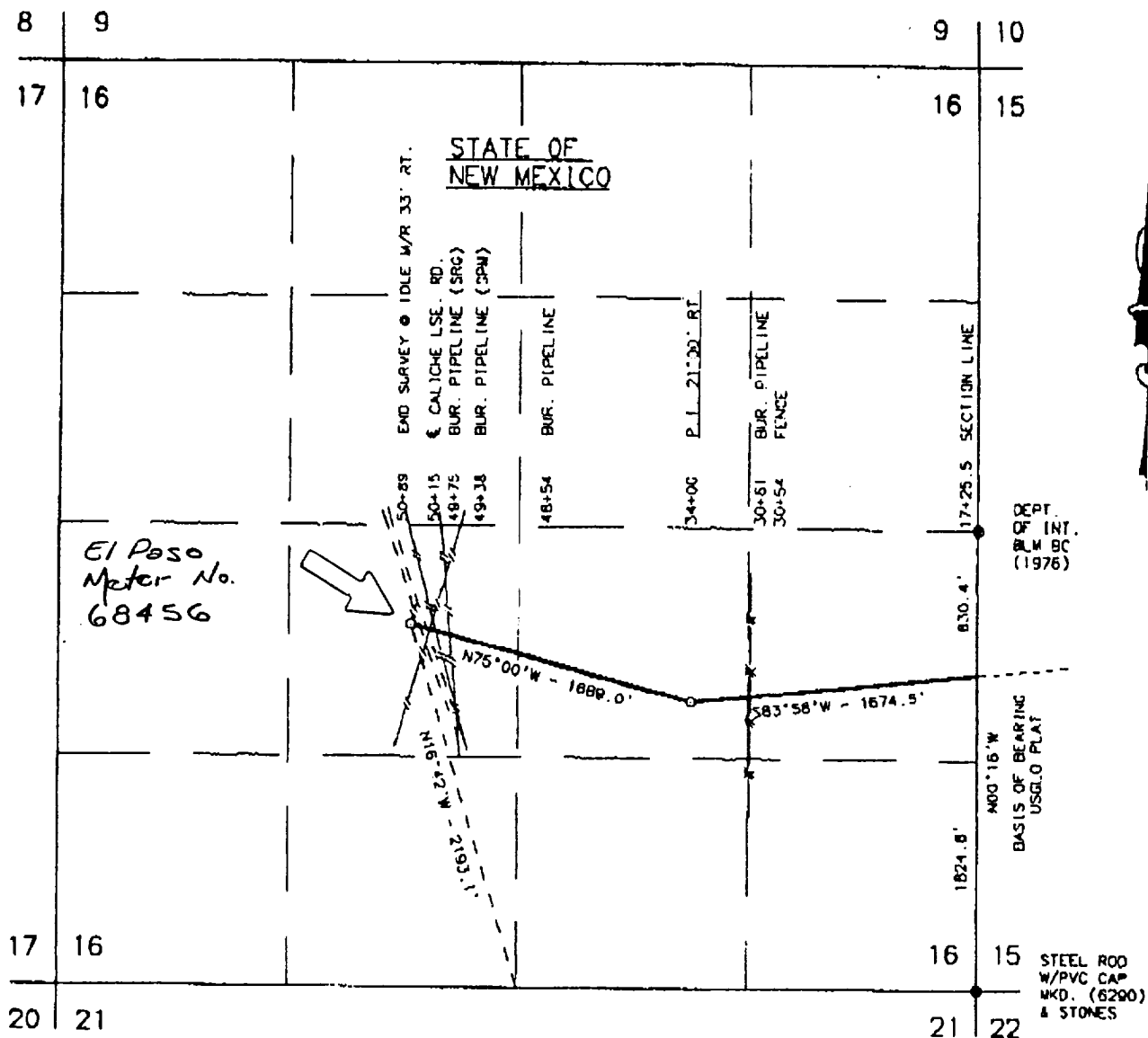
Date: 4/14/98

MEWBOURNE

MEWB0591

Scale: 1" = 1000'

SECTION 16, TOWNSHIP 21 SOUTH, RANGE 26 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 16, TOWNSHIP 21 SOUTH, RANGE 26 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND 15.0 FEET RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION WHICH LIES 500°16'E, 803.4 FEET FROM A DEPT. OF INTERIOR BLM BRASS CAP (1978) FOUND FOR THE EAST QUARTER CORNER OF SAID SECTION; THENCE S83°58'W, 1309.0 FEET; THENCE N75°00'W, 1689.0 FEET TO A POINT IN THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION WHICH LIES N16°42'W, 2193.1 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION. SAID STRIP OF LAND BEING 3363.6 FEET OR 203.85 RODS IN LENGTH AND CONTAINING 2.316 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NE/4 SE/4 - - 81.44 RODS - - 0.925 ACRES  
NW/4 SE/4 - - 83.32 RODS - - 0.947 ACRES  
NE/4 SW/4 - - 39.09 RODS - - 0.444 ACRES

1000 0 1000 2000 FEET  
Scale: 1" = 1000'

I HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.



ROYAL E. EIDSON, N.M. P.S. No. 3239  
GARY E. EIDSON, N.M. P.S. No. 12641

JOHN WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS - SURVEYORS - HOBBS, NEW MEXICO

MEWBOURNE OIL COMPANY

A PIPELINE CROSSING STATE OF NEW MEXICO LAND  
IN SECTION 16,  
TOWNSHIP 21 SOUTH,  
RANGE 26 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.

Rev. 4/16/98

Survey Date: 4/13/98	Sheet 1 of 1 Sheets
W.O. Number: 98-11-0591	Drawn By: D.McCARLEY
Date: 4/14/98 MEWBOURNE	MEWB0591 Scale: 1" = 1000'

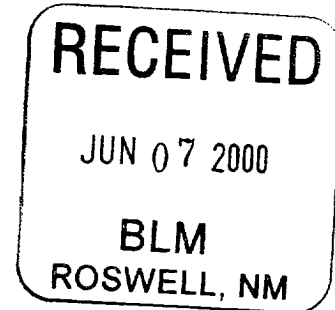
**MEWBOURNE OIL COMPANY**

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

*NMNM 3606A*

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

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.

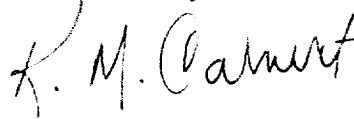
5. Details of proposed method for measuring and allocating production for each lease involved:

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,



Ken M. Calvert  
Engineering Manager

KMC/jb

Enclosures

cc: Gene Hunt  
Hobbs

# Request to Commingle Gas Streams for Common Compression and off-lease Sales

UNMNM 101353

Carlsbad 15#1, 15#2

