

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MEWBOURNE OIL COMPANY**

ORDER NO. PLC-1080

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
5. Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

CONCLUSIONS OF LAW

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2) NMAC, 19.15.12.10(C)(4)(c) NMAC, and 19.15.12.10(C)(4)(e) NMAC, as applicable.
9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC and 19.15.23.9(A)(6) NMAC, as applicable.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) NMAC or 19.15.12.10(C)(1) NMAC, as applicable.
11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) NMAC and 19.15.12.10(C)(4)(h) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools and leases as described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from the wells included in Exhibit A provided that they produce from a pool and lease described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from the pools and leases as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order CTB-1082.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
5. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.

9. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
10. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT C. S. CHANG
DIRECTOR**

DATE: 2/1/2026

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-1080

Operator: Mewbourne Oil Company (14744)

Central Tank Battery: Casamigos 2 W1AP State Com #1H Battery

Central Tank Battery Location: UL P, Section 2, Township 26 South, Range 29 East

Gas Title Transfer Meter Location: UL P, Section 2, Township 26 South, Range 29 East

Pools

Pool Name	Pool Code
CORRAL CANYON;BONE SPRING, SOUTH	13354
PURPLE SAGE;WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp SLO 204274 PUN 1394523	E2	02-26S-29E
CA Wolfcamp SLO 204274 PUN 1392806	E2	02-26S-29E
CA Wolfcamp SLO 204825 PUN 1397290	W2	02-26S-29E
CA Wolfcamp SLO 204825 PUN 1400191	W2	02-26S-29E
CA Bone Spring SLO 204893 PUN 1403744	E2	02-26S-29E
CA Bone Spring SLO 204917 PUN 1405396	W2	02-26S-29E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-48608	CASAMIGOS 2 W1OB STATE COM #001H	E2	02-26S-29E	98220
30-015-48609	CASAMIGOS 2 W1OB STATE COM #002H	E2	02-26S-29E	98220
30-015-48610	CASAMIGOS 2 W1PA STATE COM #001H	E2	02-26S-29E	98220
30-015-48611	CASAMIGOS 2 W1PA STATE COM #002H	E2	02-26S-29E	98220
30-015-49322	CASAMIGOS 2 W1MD STATE COM #001H	W2	02-26S-29E	98220
30-015-49323	CASAMIGOS 2 W1MD STATE COM #002H	W2	02-26S-29E	98220
30-015-49324	CASAMIGOS 2 W1NC STATE COM #001H	W2	02-26S-29E	98220
30-015-49325	CASAMIGOS 2 W1NC STATE COM #002H	W2	02-26S-29E	98220
30-015-53959	CASAMIGOS 2 STATE COM #575H	E2	02-26S-29E	13354
30-015-53961	CASAMIGOS 2 STATE COM #577H	E2	02-26S-29E	13354

30-015-53960	CASAMIGOS 2 STATE COM #578H	E2	02-26S-29E	13354
30-015-54897	CASAMIGOS 2 STATE COM #571H	W2	02-26S-29E	13354
30-015-54898	CASAMIGOS 2 STATE COM #572H	W2	02-26S-29E	13354
30-015-54922	CASAMIGOS 2 STATE COM #574H	W2	02-26S-29E	13354

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 549726

CONDITIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 549726
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	None	2/3/2026