

2-16-05 DATE IN	3-8-05 SUSPENSE	STOGER ENGINEER	2-16-05 LOGGED IN	NSL TYPE	PSM0504844716 APP NO.
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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



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.

JAMES BRUCE
 PO BOX 1056

SANTA FE NM 87504

Print or Type Name

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Signature

Title

Date

e-mail Address

2005 FEB 16 PM 2 53

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

February 16, 2005

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Mewbourne Oil Company applies for administrative approval of an unorthodox oil well location for the following well:

<u>Well:</u>	<i>Santo Nino</i> Pine "29" Fed. Com. Well No. 6
<u>Location:</u>	2130 feet FSL & 1830 feet FWL
<u>Unit:</u>	N $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico

The well will be drilled to a depth sufficient to test the Bone Spring formation (Santo Nino-Bone Spring Pool). Under Order No. R-8546, the pool is developed on 80 acre spacing, with wells to be within 150 feet of the center of a quarter-quarter section. Attached as Exhibit A is the approved BLM-approved APD for the well, with a Form C-102 attached.

The location is based on topographical and geologic reasons. Applicant intended to drill at an orthodox location, but the well was moved westward (at the BLM's request) to avoid sand dunes. The well cannot be moved to the NW $\frac{1}{4}$ SW $\frac{1}{4}$ due to an existing well (the Santo Nino Fed. Com. Well No. 3). As a result, applicant also requests approval of simultaneous dedication of the well unit to the No. 3 and No. 6 wells.

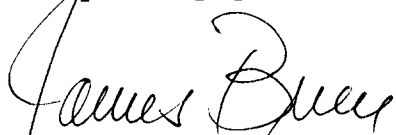
Attached as Exhibit B is an isopach of the Bone Spring formation. Moving the well to the west of an orthodox location keeps the well in the thickest part of the Bone Spring.

The well is interior to the well unit, and thus no offsets were notified of the location. (Attached as Exhibit C is a land plat. If notice was required, the Bone Spring well units to the north are

operated by Mewbourne, and working interest and royalty interests (federal) are common in the NW $\frac{1}{4}$ and N $\frac{1}{2}$ SW $\frac{1}{4}$.)

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Mewbourne Oil Company

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.

LC-068719-A

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.

Santo Nino 29 Federal Com #8

9. API Well No.

10. Field and Pool, or Exploratory

Santo Nino Bone Spring

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 29-T18S-R30E

12. County or Parish

Eddy

13. State

NM

1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other☐ Single Zone ☐ Multiple Zone

2. Name of Operator

Newbourne Oil Company - 14744

3a. Address

PO Box 5270 Hobbs, NM 88240

3b. Phone No. (include area code)

505-393-8905

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 2130' FSL & 1830' FWL Unit K

At proposed prod. zone Same

Secretary's Potash

4. Distance in miles and direction from nearest town or post office*

7 miles South of Loco Hills

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) 500'

16. No. of Acres in lease

40

17. Spacing Unit dedicated to this well

80

8. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft.

135'

19. Proposed Depth

7600'

20. BLM/BIA Bond No. on file

NM1693, Nationwide

11. Elevations (Show whether DF, KDB, RT, GL, etc.)

1425' GL

22. Approximate date work will start*

ASAP

23. Estimated duration

45

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).4. Bond to cover the operations unless covered by an existing bond on file (see
item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the
authorized officer.

5. Signature

Name (Printed/Typed)

Kristi Green

Date

12/01/04

Title

Hobbs Regulatory

Approved by (Signature)

Name (Printed/Typed)

Dennis R. Stenger

Date

FEB - 8 2005

STATE DIRECTOR

Office

NM STATE OFFICE

Application approval 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.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on reverse)

Carbon Controlled Water Use

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

DISTRICT I

1020 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Santo Nino Bone Spring
Property Code	Property Name SANTO NINO "29" FEDERAL COM	Well Number 6
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3425'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	29	18 S	30 E		2130	SOUTH	1830	WEST	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 80	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

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Kristi Green</i> Signature Kristi Green Printed Name Hobbs Regulatory Title 12/01/04 Date
	SURVEYOR CERTIFICATION 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. NOVEMBER 18, 2004 Date Surveyed Signature of L. JONES Professional Surveyor NEW MEXICO W.O. No. 4255 Certified to Gary Jones 7977 PROFESSIONAL LAND SURVEYOR

MEWBOURNE OIL COMPANY
500 WEST TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

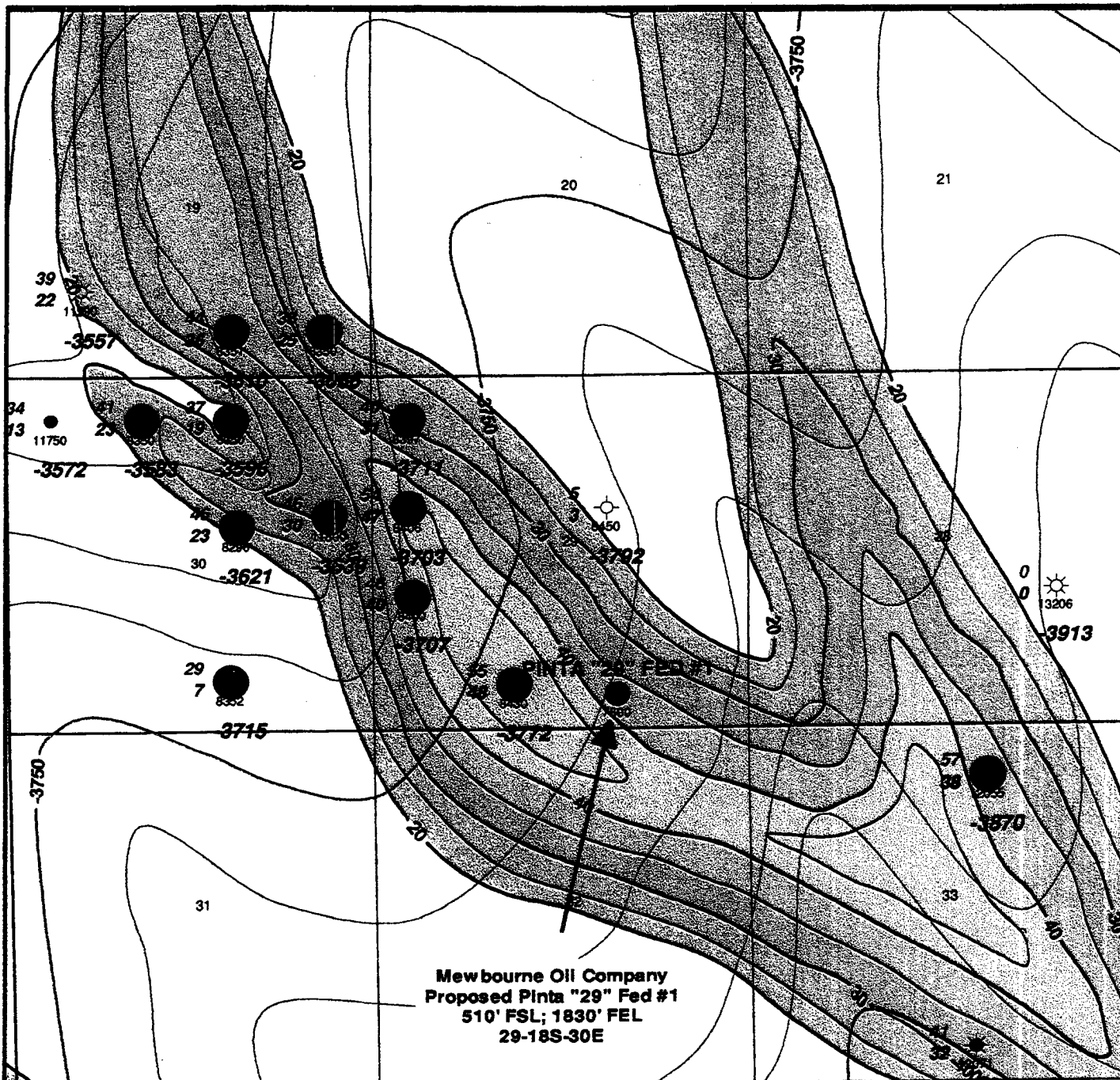
Lease	<u>Santo Nino "29" Federal Com</u>		Well No	<u>6</u>	Location	<u>2130' FSL & 1830' FWL</u>	
County	<u>Eddy</u>	<u>ST NM</u>	Section	<u>29</u>	TwnShp	<u>18S</u>	Rng <u>30E</u>
Section	<u>Blk</u>		Survey <u></u>				
Filename							Page <u>1</u>

DATE _____

DAILY REPORTS

NOV 19 2004 Staked location @ 1830' FSL & 1830' FWL, Sec. 29 T-18S R-30E, Eddy Co. NM. Elevation @ 3429.2' GL. This location in large sand dune feature. Staked alternate location @ 2130' FSL & 1830' FWL. Elevation @ 3425' GL. This location should be drillable w/ pits to the West. No road needed. Will meet BLM & Arc on Monday. (FN/MY)

NOV 24 2004 Met with BLM & approved location staked @ 2130' FSL & 1830' FWL w/pits to the south. (Have existing pumping unit 135' east of stake. Will need to fit rig.) No new lease road will be needed. (MY) 3425



Net Sand > 10% DenPor 55
Net Sand GT 12% DenPor 48-3772
Top 1st Bone Spring Sand

Bone Spring Producer

1000 0 1000 2000 3000 4000 5000 ft

Mewbourne Oil Company		
Santo Nino Area		
1 ST Bone Spring Pink Net Isopach > 12% DenPor Structure: Top 1st Bone Spring Sand		
Author: M. Davis	Structure C.I. = 50 ft. Isopach C.I. = 5 ft.	Date: 7 February, 2005
Scale: <1:24000>		Leafy County



N.M. 1301 W. Grand Avenue

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Albuquerque NM 88210

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

FEB 16 2005


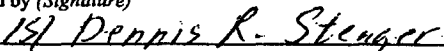
OCD-ARTESIA

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-068719-A	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Mewbourne Oil Company - 14744		7. If Unit or CA Agreement, Name and No.	
3a. Address PO Box 5270 Hobbs, NM 88240		8. Lease Name and Well No. Santo Nino 29 Federal Com #6	
3b. Phone No. (include area code) 505-393-5905		9. API Well No. 30-015-33955	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2130' FSL & 1830' FWL Unit K At proposed prod. zone Same Secretary's Potash		10. Field and Pool, or Exploratory Santo Nino Bone Spring	
14. Distance in miles and direction from nearest town or post office* 7 miles South of Loco Hills		11. Sec., T., R., M., or Blk. and Survey or Area Sec 29-T18S-R30E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 500'		12. County or Parish Eddy	
16. No. of Acres in lease 40		13. State NM	
17. Spacing Unit dedicated to this well 80			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 135'		20. BLM/BIA Bond No. on file NM1693, Nationwide	
19. Proposed Depth 7600'			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3425' GL		22. Approximate date work will start* ASAP	
		23. Estimated duration 45	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

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2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Kristi Green	Date 12/01/04
Title Hobbs Regulatory		
Approved by (Signature) 	Name (Printed/Typed) Dennis R. Stenger	Date FEB 08 2005
Title for STATE DIRECTOR	Office NM STATE OFFICE	

Application approval 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.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

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*(Instructions on reverse)

Capitan Controlled Water Basin

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED



DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
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Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

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Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kristi Green</i> Signature Kristi Green Printed Name Hobbs Regulatory Title 12/01/04 Date</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>NOVEMBER 18, 2004 Date Surveyed Signature: GARY L. JONES Professional Surveyor NEW MEXICO 7977 No. 4253 Certificate No. Gary L. Jones 7977 PROFESSIONAL SURVEYOR</p>
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