

DATE IN 5/9/16	SUSPENSE	ENGINEER LRL	LOGGED IN 5/10/16	TYPE NSL	APP NO. PLEL 1613133 439
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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



R: 5/9/16

### 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]

NSL-7423

(14744)

#### [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 \_\_\_\_\_

OPER: MEWBORNE OIL COMPANY

API # 30-015-43661

WELL: DEVON 6 W2AD FEE NO. 1

POOL: SULPATE DRAW; WOLF CAMP (Gas)

Pool (# 85780)

#### [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.

Corey Mitchell

Print or Type Name

Corey Mitchell

Signature

Landman

Title

5.4.16

Date

CMitchell@Mewbourne.com

e-mail Address

**MEWBOURNE OIL COMPANY**

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

100-77000  
2016-05-02

May 5, 2016

Via Certified Mail

New Mexico Oil Conservation Division

1220 S. St. Francis Drive

Santa Fe, New Mexico 87505

Attn: Mr. David Catanach

Division Director

Re: Application for Unorthodox Well Location  
Devon 6 W2AD Fee No. 1H  
API No. 3001543661  
Surface Location: 440' FNL & 185' FEL (Unit A)  
First Take Point: 440' FNL & 330' FEL (Unit A)  
Bottomhole Location: 440' FNL & 330' FWL (Unit D)  
Section 6, T-25-S, R-28-E, NMPM  
Eddy County, New Mexico

Dear Mr. Catanach:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of an unorthodox gas well location for its proposed Devon 6 W2AD Fee No. 1H. This well will be drilled as a horizontal gas well in the Sulphate Draw; Wolfcamp (Gas) Pool (85780).

The Devon 6 W2AD Fee No. 1H will be dedicated to a standard 320-acre gas spacing and proration unit comprising the N/2 of Section 6. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

The Sulphate Draw; Wolfcamp (Gas) Pool is currently governed by Division Rule 19.19.15.10 which requires standard 320-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the spacing unit, nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary, or in the case of a horizontal well, no closer than 660 feet to the outer boundary of the producing area.

The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation underlying the N/2 of Section 6.

The affected offset acreage comprises the N/2, SW/4 of Section 5 and the S/2 of Section 6, Township 25 South, Range 28 East, NMPM, all of Section 31 and the W/2, SE/4 of Section 32, Township 24 South, Range 28 East, NMPM, the E/2, SW/4 of Section 36, Township 24 South, Range 27 East, NMPM, and the N/2, SE/4 of Section 1, Township 25 South, Range 27 East, NMPM (See Attached Map). There is currently no Wolfcamp production within the offset acreage. Consequently, notice of this application is being provided to Occidental Permian Limited Partnership, Devon Energy Production Company, L.P., COG Operating LLC and Yates Petroleum Corporation.

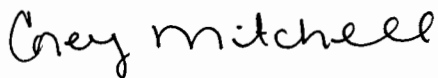
Attached is a Form C-102 showing the surface, first take point and bottomhole locations for the Devon 6 W2AD Fee No. 1H. Also, attached is a map showing the affected offset acreage, a horizontal well plan, notice list and offset notice letter.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Sulphate Draw; Wolfcamp (Gas) Pool underlying the N/2 of Section 6 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

Should you have any questions regarding the above, please email me at [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in cursive script that reads "Corey Mitchell".

Corey Mitchell  
Landman

Xc: OCD-Artesia

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1600 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-8178 Fax:(505) 334-8170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 478-3470 Fax:(505) 478-3462

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

Form C-102  
August 1, 2011  
Permit 217454

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-43661	2. Pool Code 85780	3. Pool Name SULPHATE DRAW;WOLFCAMP (GAS)
4. Property Code 316017	5. Property Name Devon 6 W2AD Fee	6. Well No. 001H
7. OGRID No. 14744	8. Operator Name MEWBOURNE OIL CO	9. Elevation 3043


**10. Surface Location**

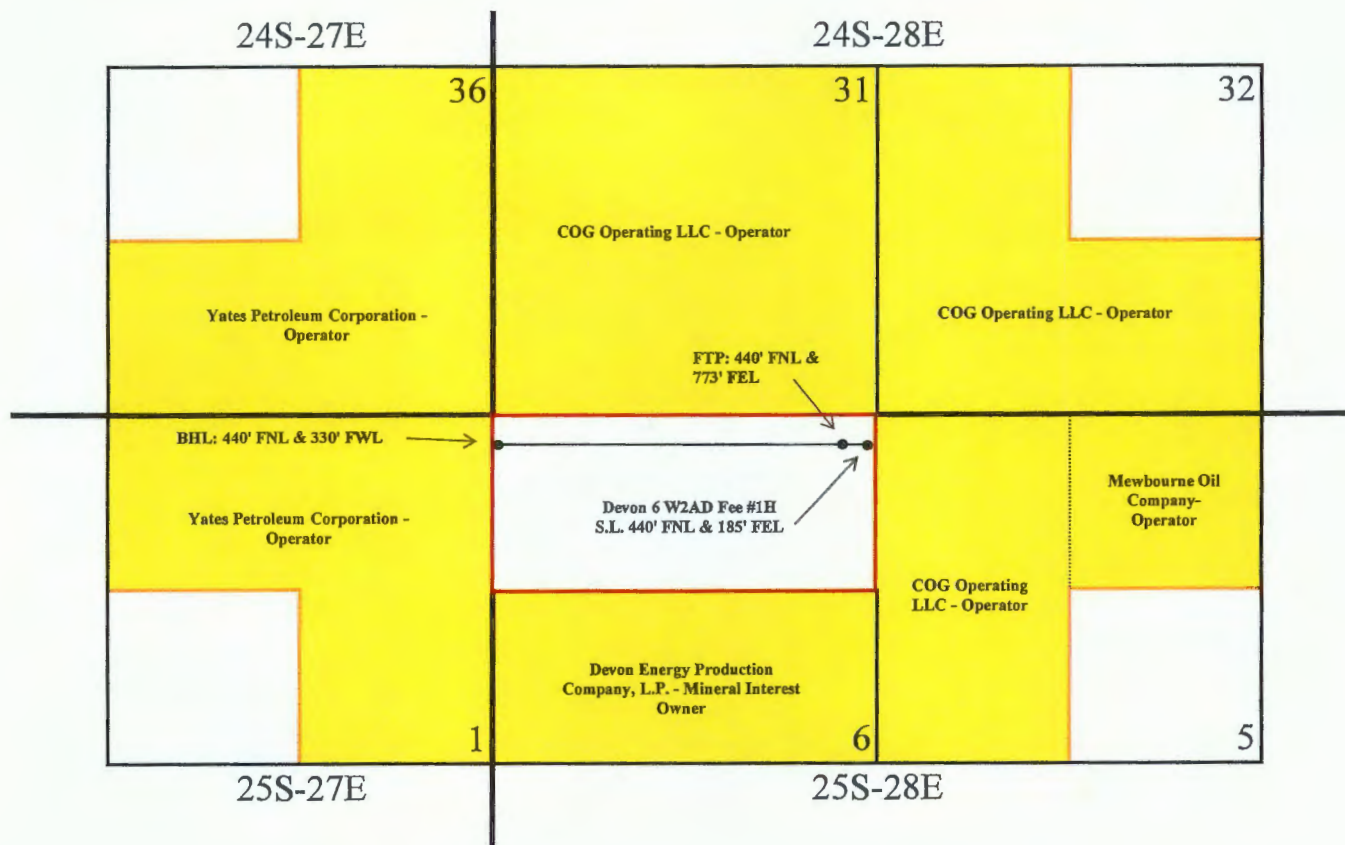
UL - Lot A	Section 6	Township 25S	Range 28E	Lot Idn A	Feet From 440	N/S Line N	Feet From 185	E/W Line E	County Eddy
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**11. Bottom Hole Location If Different From Surface**

UL - Lot D	Section 6	Township 25S	Range 28E	Lot Idn D	Feet From 440	N/S Line N	Feet From 330	E/W Line W	County Eddy
12. Dedicated Acres 322.50	13. Joint or Infill			14. Consolidation Code			15. 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**

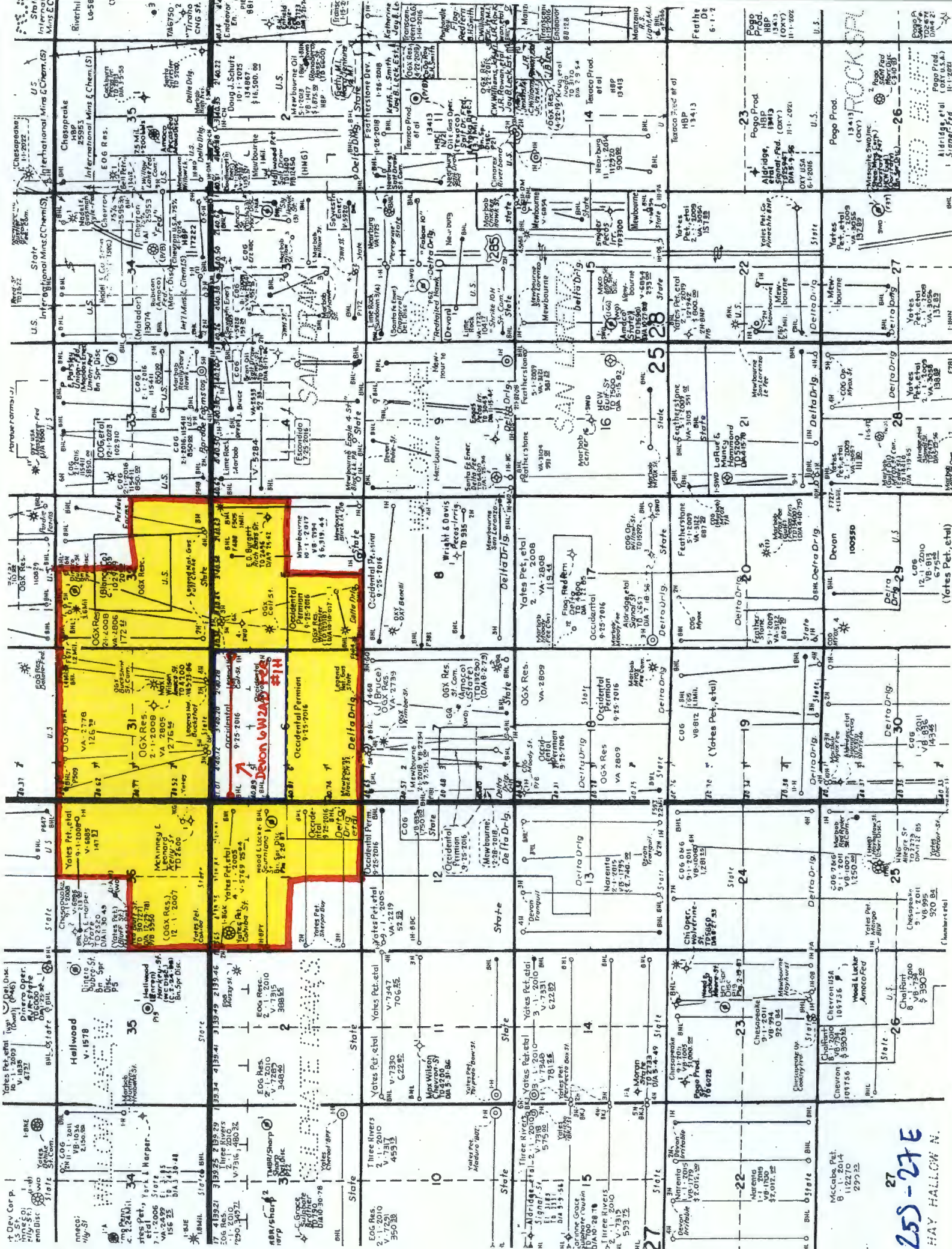
	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) 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.</i></p> <p>E-Signed By: Monty Whetstone Title: Vice President Operations Date: 3/1/2016</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Robert Howett Date of Survey: 2/26/2016 Certificate Number: 19680</p>
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— 320-Acre Spacing Unit  
 Affected Offset Acreage/Tracts

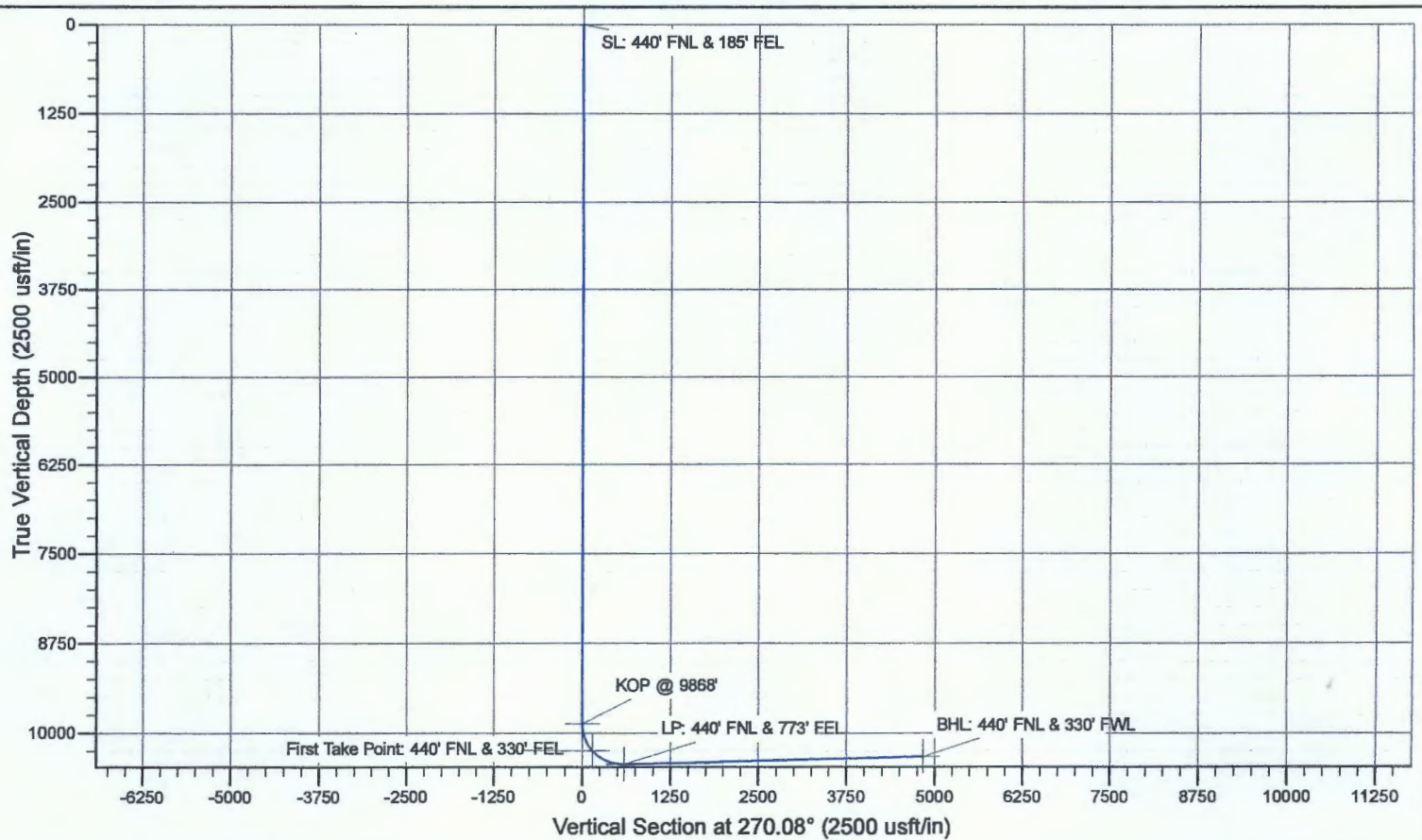
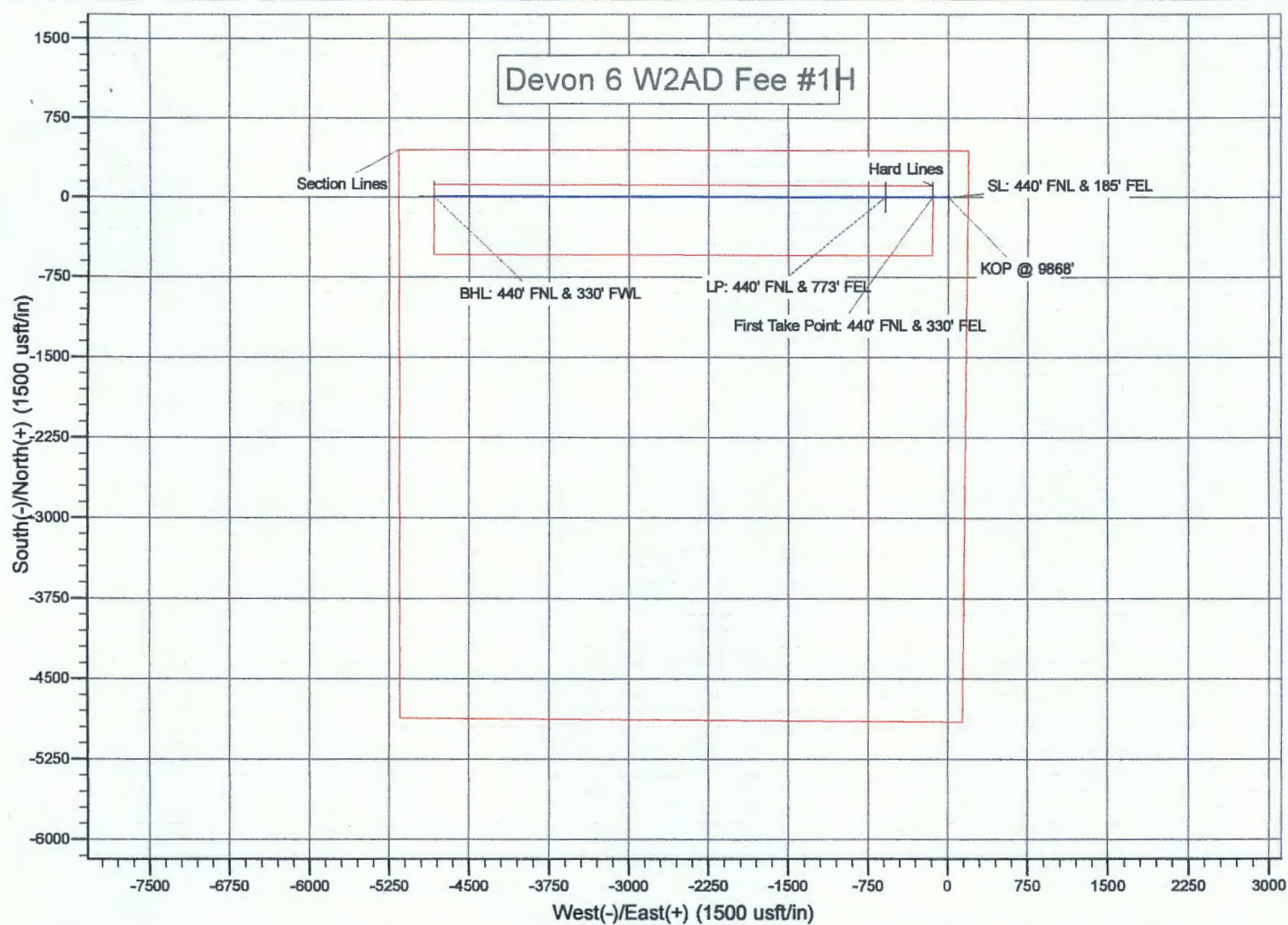
**Mewbourne Oil Company**  
**Application for Unorthodox Well Location**  
**Devon 6 W2AD Fee No. 1H**  
**Affected Offset Acreage**





255-27E  
HAY HOLLOW N.





## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

April 29, 2016

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Well Location  
Devon 6 W2AD Fee No. 1H (API No. 3001543661)  
Surface Location: 440' FNL & 185' FEL (Unit A)  
First Take Point: 440' FNL & 330' FEL (Unit A)  
Bottomhole Location: 440' FNL & 330' FWL (Unit D)  
Section 6, T-25-S, R-28-E, NMPM, Eddy County, New Mexico  
Sulphate Draw; Wolfcamp (Gas) Pool (85780)

Ladies and Gentlemen:

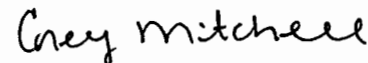
Enclosed please find a copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox gas well location for its proposed Devon 6 W2AD Fee No. 1H located at the surface, first take point and bottomhole locations described above. The well will test the Sulphate Draw; Wolfcamp (Gas) Pool and will be dedicated to a standard 320-acre gas spacing and proration unit comprising the N/2 of Section 6, Township 25 South, Range 28 East, NMPM. The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the N/2 of Section 6.

As the owner of an interest that may be affected by the proposed unorthodox gas well location, you are being provided notice as per Division rules and regulations. *Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you.* If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

Should you have any questions regarding the above, please email me at [cmitchell@mewbourne.com](mailto:cmitchell@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Corey Mitchell  
Landman

Enclosure

Xc: OCD-Artesia



**Notice List**  
**Mewbourne Oil Company**  
**Application for Unorthodox Well Location**  
**Devon 6 W2AD Fee No. 1H**  
**Section 6, T25S, R28E**  
**Eddy County, New Mexico**

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Attn: Mr. Zach Graham

Occidental Permian Limited Partnership  
5 Greenway Plaza, Suite 110  
Houston, Texas 77046  
Attn: Mr. Jeremy D. Murphrey

COG Operating, LLC  
600 W. Illinois Avenue  
One Concho Center  
Midland, Texas 79701  
Attn: Mrs. Rita Buress

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Attn: Mrs. Janet Richardson



Date: May 3, 2016

Simple Certified:

The following is in response to your May 3, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015132368. The delivery record shows that this item was delivered on May 2, 2016 at 12:51 pm in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Kautz".

Address of Recipient :

A handwritten address in black ink, reading "811 S. 1ST" on the first line and "Artesia NM" on the second line.

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. Paul Kautz  
New Mexico Oil Conservation Division  
811 S 1ST ST  
ARTESIA, NM 88210  
Reference #: MOC's App DEVON 6 W2AD 1H cm  
Item ID: MOC's App DEVON 6 W2AD 1H cm



Date: May 3, 2016

Simple Certified:

The following is in response to your May 3, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015132443. The delivery record shows that this item was delivered on May 2, 2016 at 9:06 am in OKLAHOMA CITY, OK 73102. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section  
Mikala Johnson  
Mikala Johnson

Address of Recipient :

333 W Sheridan

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. Zach Graham  
Devon Energy Production Company LP  
333 W Sheridan Ave  
Oklahoma City, OK 73102  
Reference #: MOC's App DEVON 6 W2AD 1H cm  
Item ID: MOC's App DEVON 6 W2AD 1H cm





Date: May 3, 2016

Simple Certified:

The following is in response to your May 3, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015132733. The delivery record shows that this item was delivered on May 2, 2016 at 1:33 pm in HOUSTON, TX 77046. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	X <i>Billy Payne</i>
Printed Name	Billy Payne

Address of Recipient :

Delivery Address	
------------------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. Jeremy D. Murphrey  
Occidental Permian Limited Partnership  
5 GREENWAY PLZ STE 110  
HOUSTON, TX 77046  
Reference #: MOC's App DEVON 6 W2AD 1H cm  
Item ID: MOC's App DEVON 6 W2AD 1H cm

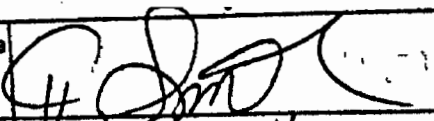



Date: May 5, 2016

Simple Certified:

The following is in response to your May 5, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015132825. The delivery record shows that this item was delivered on May 4, 2016 at 2:27 pm in MIDLAND, TX 79701. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Printed Name	

Address of Recipient :

Delivery Address	
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Rita Buress  
COG Operating LLC  
600 W ILLINOIS AVE  
ONE CONCHO CENTER  
MIDLAND, TX 79701  
Reference #: MOC's App DEVON 6 W2AD 1H cm  
Item ID: MOC's App DEVON 6 W2AD 1H cm



Date: May 3, 2016

Simple Certified:

The following is in response to your May 3, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945015132863. The delivery record shows that this item was delivered on May 2, 2016 at 8:41 am in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	X <i>Gayle Anderson</i>
Printed Name	NINEN Anderson

Address of Recipient :

Delivery Address
105 S 4th St

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mrs. Janet Richardson  
Yates Petroleum Corporation  
105 S 4th ST  
Artesia, NM 88210  
Reference #: MOC's App DEVON 6 W2AD 1H cm  
Item ID: MOC's App DEVON 6 W2AD 1H cm



Mewbourne Oil Company  
Corey Mitchell  
500 W Texas, STE 1020  
MIDLAND TX 79701-4279

App for Unorthodox Well  
Location CM

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**USPS CERTIFIED MAIL**

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9414 8106 9994 5015 2584 64

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New Mexico Oil Conservation Division  
Mr. David Catanach, Division Director  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4225



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3 oz First-Class Mail Plus Rate

CID: 56133



071S00534813

endicia.com

## **Lowe, Leonard, EMNRD**

---

**From:** Corey Mitchell <cmitchell@Mewbourne.com>  
**Sent:** Wednesday, June 01, 2016 12:00 PM  
**To:** Lowe, Leonard, EMNRD  
**Cc:** Jones, William V, EMNRD  
**Subject:** RE: clarification on NSL application: DEVON 6 W2AD FEE NO. 1

Leonard,

The first take point should be 440' FNL & 330' FEL. The 773' FEL looks like a typo. I apologize for the error. Let me know if you need anything else. Thanks. Have a great day.

Corey Mitchell  
Land Department  
Mewbourne Oil Company  
500 West Texas, Suite 1020  
Midland, TX 79701  
Bus. (432) 682-3715  
Fax (432) 685-4170

---

**From:** Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]  
**Sent:** Wednesday, June 01, 2016 12:18 PM  
**To:** Corey Mitchell  
**Cc:** Jones, William V, EMNRD  
**Subject:** clarification on NSL application: DEVON 6 W2AD FEE NO. 1  
**Importance:** High

Mr. Corey Mitchell,

Good morning.

Within your application for the SUBJECT well NSL application, there was attached (see attachment) document indicating a different 1<sup>st</sup> take point then stated within request letter.

Currently OCD has the following information on 1<sup>st</sup> take points:

440' FNL & 330' FEL

AND

440' FNL & 773 FEL (in attachment)

Please clarify:

**Leonard Lowe**  
Engineering Bureau  
Oil Conservation Division  
Energy Minerals and Natural Resources Department

**Lowe, Leonard, EMNRD**

---

**From:** Corey Mitchell <cmitchell@Mewbourne.com>  
**Sent:** Tuesday, May 10, 2016 12:10 PM  
**To:** Lowe, Leonard, EMNRD  
**Subject:** Devon 6 W2AD Fee No. 1H NSL Application

Leonard,

Pursuant to our conversation, the last take point in the Devon 6 W2AD Fee No. 1H well (API #3001543661) will be 440' FNL & 330' FEL of Section 6, T25S, R28E, Eddy County, New Mexico, which is the same as our bottom hole location. Let me know if you need anything else. Thanks. Have a great day.

Corey Mitchell  
Land Department  
Mewbourne Oil Company  
500 West Texas, Suite 1020  
Midland, TX 79701  
Bus. (432) 682-3715  
Fax (432) 685-4170



**Lowe, Leonard, EMNRD**

---

**From:** Lowe, Leonard, EMNRD  
**Sent:** Monday, June 06, 2016 10:03 AM  
**To:** 'cmitchell@mewbourne.com'  
**Cc:** Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'rjsanche@blm.gov'; 'jstovall@blm.gov'  
**Subject:** NSL - 7423; (DEVON 6 W2AD FEE WELL NO. 1H); 6 25S 28E; Eddy County  
**Importance:** High

Mr. Cory Mitchell,

The following permit has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

**NSL - 7423**

Mewbourne Oil Company

API: 30-025-43661

WELL: DEVON 6 W2AD FEE NO. 1; Eddy County

**Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>