

RECEIVED: 9/20/17	REVIEWER: WVJ	TYPE: NSP 2880	APP NO: PWJ/1731267721
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NEW MEXICO OIL CONSERVATION DIVISION  
- Geological & 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

<b>Applicant:</b> Mewbourne Oil Company	<b>OGRID Number:</b> 14744
<b>Well Name:</b> Armstrong 26/35 W01P Fed Com #2H	<b>API:</b> 30-015-43799
<b>Pool:</b> Purple Sage Wolfcamp Gas	<b>Pool Code:</b> 98220

### SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☒ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

#### FOR OCD ONLY

☐ Notice Complete  
☐ Application Content Complete

- 3) **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.

Tyler Jolly

Print or Type Name

Signature

9/20/2017

Date

432-682-3715

Phone Number

tjolly@mewbourne.com

e-mail Address

Revised March 23, 2017

RECEIVED:	REVIEWER: <u>SA ME AS</u>	TYPE: <u>OTHER</u>	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Geological & Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

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**Applicant:** Mewbourne Oil Company **OGRID Number:** 14744  
**Well Name:** Armstrong 26/35 WIIP Fed Com #1H **API:** 30-015-43753  
**Pool:** Purple Sage Wolfcamp Gas **Pool Code:** 98220

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Tyler Jolly

Print or Type Name

Signature

9/20/2017

Date

432-682-3715

Phone Number

tjolly@mewbourne.com

e-mail Address

## MEWBOURNE OIL COMPANY

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

September 20, 2017

### Via Email

New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Mr. Leonard Lowe

Re: Application for Unorthodox Proration Unit

Armstrong 26/35 W0IP Fed Com #2H (API# 30-015-43799)

Surface Location: 2625' FNL & 330' FEL (Unit I in Section 26)  
First Take Point: 2311' FSL & 330' FEL (Unit I Section 26)  
Last Take Point: 330' FSL & 330' FEL (Unit P in Section 35)  
Bottomhole Location: 330' FSL & 330' FEL (Unit P in Section 35)  
Proration Unit: SE/4 of Section 26 and E/2 of Section 35, T-25-S, R-31-E,  
NMPM, Eddy County, New Mexico  
Pool: Purple Sage Wolfcamp Gas Pool (98220)

Armstrong 26/35 W1IP Fed Com #1H (API# 30-015-43753)

Surface Location: 2625' FNL & 380' FEL (Unit I in Section 26)  
First Take Point: 2311' FSL & 939' FEL (Unit I Section 26)  
Last Take Point: 330' FSL & 990' FEL (Unit P in Section 35)  
Bottomhole Location: 330' FSL & 990' FEL (Unit P in Section 35)  
Proration Unit: SE/4 of Section 26 and E/2 of Section 35, T-25-S, R-31-E,  
NMPM, Eddy County, New Mexico  
Pool: Purple Sage Wolfcamp Gas Pool (98220)

Dear Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Mewbourne Oil Company ("Mewbourne") respectfully requests administrative approval of an unorthodox proration unit for its proposed Armstrong 26/35 W0IP Fed Com #2H and Armstrong 26/35 W1IP Fed Com #1H wells. These wells will be drilled as horizontal wells in the Purple Sage Wolfcamp Gas Pool (98220).

The Armstrong 26/35 W0IP Fed Com #2H and Armstrong 26/35 W1IP Fed Com #1H wells will be dedicated to an unorthodox 480-acre gas spacing and proration unit comprising the SE/4 of Section 26 and the E/2 of Section 35. There are currently no other existing Wolfcamp producing wells within the proposed spacing unit.

Mewbourne Oil Company  
Unorthodox Proration Unit  
Armstrong 26/35 W0IP Fed Com #2H  
Armstrong 26/35 W1IP Fed Com #1H  
Page 2 of 2

The unorthodox proration unit is necessary in order to maximize the recovery of oil and gas reserves and prevent waste from the Wolfcamp formation underlying the SE/4 of Section 26 and the E/2 of Section 35.

The affected offset acreage comprises the Sections 25, 26, 35, and 36, T25S, R31E, NMPM and Sections 1 and 2, T26S, R31E, NMPM (See Attached Map). There are currently the following Wolfcamp producers within the offset acreage:

Operator	Name	Number	API	Section
Mewbourne Oil Company	Big Sinks Fed Com	1	3001523491	35
Mewbourne Oil Company	Bebop 36 W1MD State	2H	3001543320	36
Devon Energy Production Company, L.P.	Snapping 2 State	14H	3001542688	16

Notice of this application is being provided to Hayes Land & Production, L.P., V-F Petroleum Inc., 4-BR Resources Investments II, LLC, Santo Legado LLC, Diamond S Energy Company, Devon Energy Production Company, LP, Longhorn Partners, OXY Y-1 Company, Great Western Drilling Ltd., Fuel Products Inc., McCombs Energy Ltd., Gahr Energy Company, and the NMOCD.

Attached are Form C-102's showing the surface, first take point, last take point, and bottomhole locations for the Armstrong 26/35 W0IP Fed Com #2H and Armstrong 26/35 W1IP Fed Com #1H wells. Also, attached is a map showing the affected offset acreage, notice list, and offset notice letter.

All owners noticed on the attached notice list were sent the Application for Unorthodox Well Location via certified mail on September 20, 2017.

In summary, approval of the application will provide Mewbourne Oil Company the opportunity to recover additional oil and gas reserves from the Purple Sage Wolfcamp Gas Pool (98220) underlying the SE/4 of Section 26 and the E/2 of Section 35 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 [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com) or call me at (432) 682-3715.

Very truly yours,

**MEWBOURNE OIL COMPANY**



Tyler Jolly  
Landman

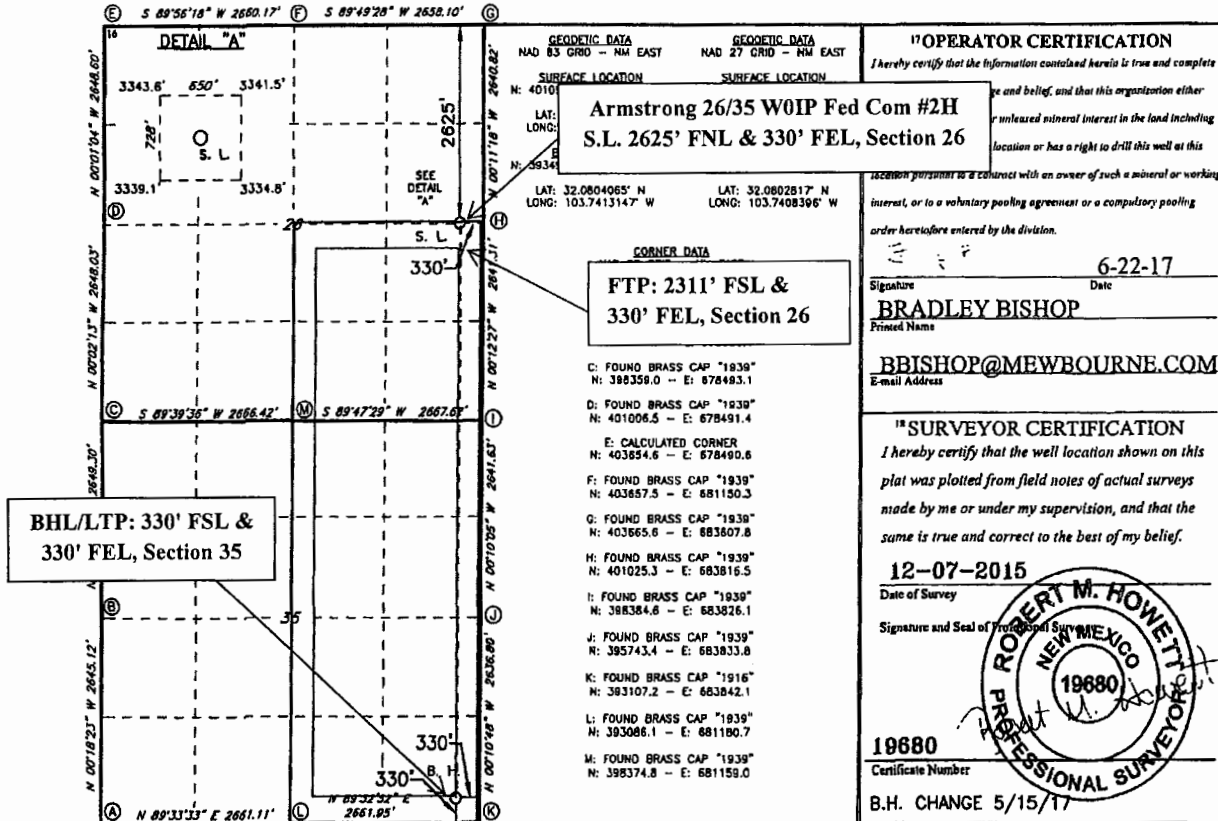
Xc: OCD-Artesia

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
SEP 08 2011  
RECEIVED

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT



Job No.: LS1510584D

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

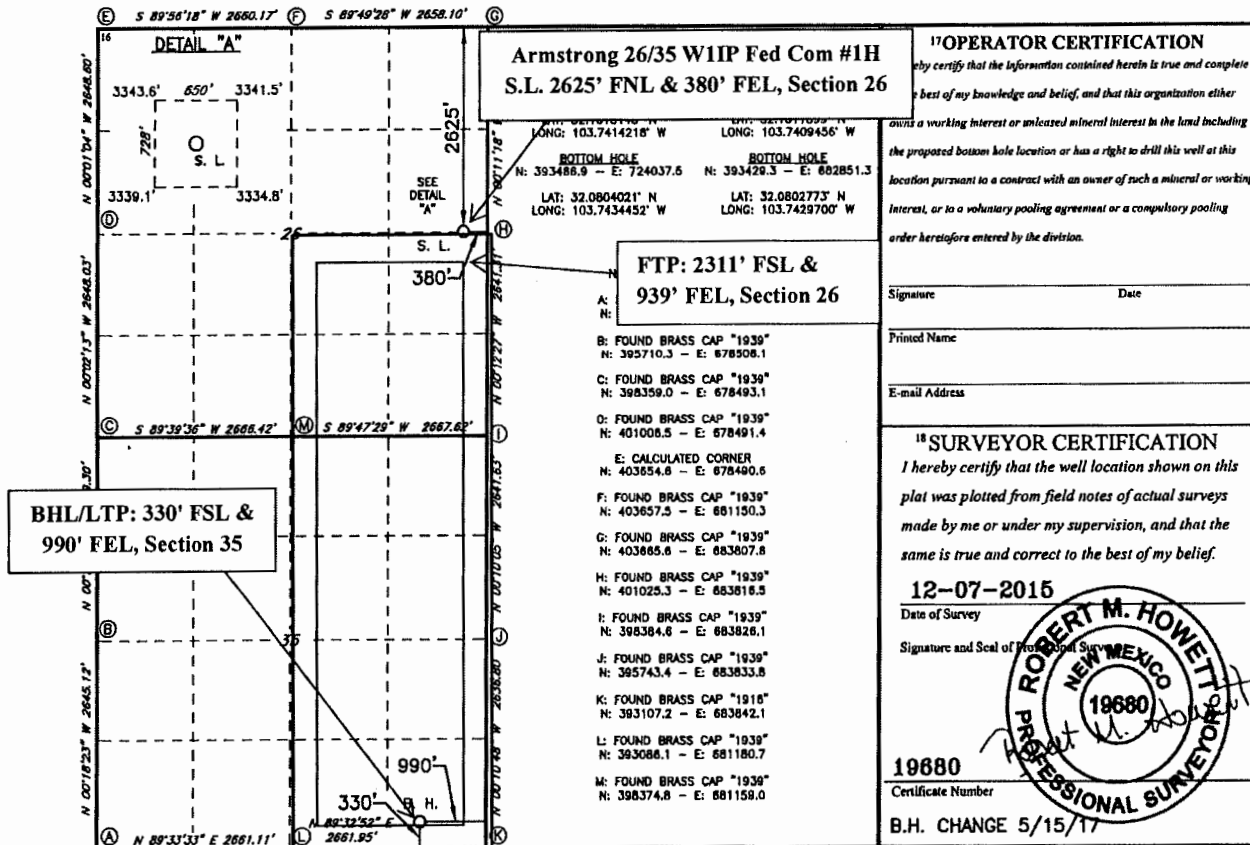
Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

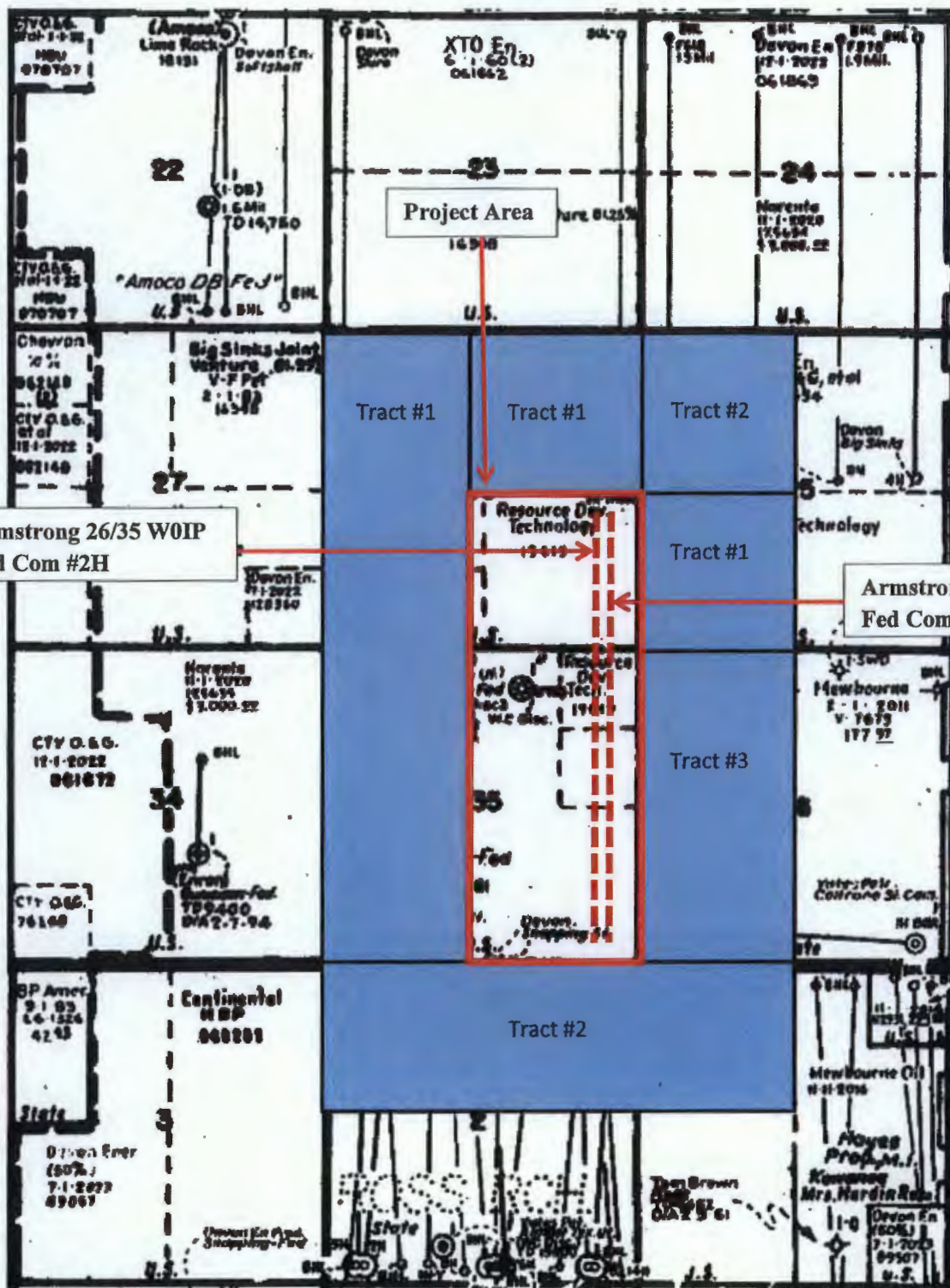
1 API Number 30-015-43753		2 Pool Code 98220		3 Pool Name Purple Sage Wolfcamp Gas					
4 Property Code		5 Property Name <b>ARMSTRONG 26/35 W1P FEDERAL COM</b>						6 Well Number <b>1H</b>	
7 GRID NO. 14744		8 Operator Name <b>MEWBOURNE OIL COMPANY</b>						9 Elevation <b>3339'</b>	
10 Surface Location									
UL or lot no. <b>H</b>	Section <b>26</b>	Township <b>25S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>2625</b>	North/South line <b>NORTH</b>	Feet From the <b>380</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
11 Bottom Hole Location If Different From Surface									
UL or lot no. <b>P</b>	Section <b>35</b>	Township <b>25S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>330</b>	North/South line <b>SOUTH</b>	Feet from the <b>990</b>	East/West line <b>EAST</b>	County <b>EDDY</b>
12 Dedicated Acres 480		13 Joint or Infill		14 Consolidation Code		15 Order No.			

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



Job No.: LS1510582D





**Notice List**

**Mewbourne Oil Company**

**Application for Unorthodox Proration Unit**

**Armstrong 26/35 W0IP Fed Com #2H**

**Armstrong 26/35 W1IP Fed Com #1H**

**Eddy County, New Mexico**

<b>Owners Noticed</b>	<b>Tract Numbers</b>	<b>Certified Tracking Number</b>
Advance Energy Partners 11490 Westheimer Road, Suite 950 Houston, TX 77077 Attn: Brian A. van Staveren	Tract 1	9414810699945025769851
V-F Petroleum Inc 500 W. Texas, Suite 350 Midland, TX 79701	Tract 1	9414810699945025769912
4-BR Resources Investments II, LLC 5005 Riverway, Suite 160 Houston, TX 77056 Attn: Brian Burgher	Tract 1	9414810699945025769929
Santo Legado LLC P.O. Box 1020 Artesia, NM 88211-1020 Attn: Hanson Yates	Tract 1	9414810699945025769943
Diamond S Energy Company 6608 Bryant Irvin Rd. Fort Worth, TX 76132	Tract 1	9414810699945025769950
Devon Energy Production Company, LP 333 W. Sheridan Ave. Oklahoma City, OK 73102 Attn: Tim Prout	Tract 1 & 2	9414810699945025769967
Longhorn Partners P.O. Box 1973 Midland, TX 79702	Tract 1	9414810699945025770024



OXY Y-1 Company 5 Greenway Plaza, Suite 110 Houston, TX 77046 Attn: Jonathan Gonzalez	Tract 1 & 3	9414810699945025770086
Great Western Drilling Ltd. P.O. Box 1659 Midland, TX 79702-1659 Attn: Carter Muire	Tract 3	9414810699945025770284
Fuel Products Inc. P.O. Box 3098 Midland, TX 79702	Tract 3	9414810699945025770307
McCombs Energy Ltd. 755 East Mulberry Ave., Suite 600 San Antonio, TX 78212 Attn: Gary Woods	Tract 3	9414810699945025770321
Gahr Energy Company P.O. Box 1889 Midland, TX 79702 Attn: Jerry Gahr	Tract 3	9414810699945025770376
NMOCD 811 S. 1st Street Artesia, NM 88210 Attn: Paul Kautz		9414810699945025770666

## MEWBOURNE OIL COMPANY

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

September 20, 2017

Via Certified Mail

See Attached List

Re: Mewbourne Oil Company's Application for Unorthodox Proration Unit

Armstrong 26/35 W0IP Fed Com #2H

Surface Location: 2625' FNL & 330' FEL (Unit I in Section 26)  
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NMPM, Eddy County, New Mexico  
Pool: Purple Sage Wolfcamp Gas Pool (98220)

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Proration Unit: SE/4 of Section 26 and E/2 of Section 35, T-25-S, R-31-E,  
NMPM, Eddy County, New Mexico  
Pool: Purple Sage Wolfcamp Gas Pool (98220)

Ladies and Gentlemen:

Please find the enclosed copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox proration unit for the Armstrong 26/35 W0IP Fed Com #2H and the Armstrong 26/35 W1IP Fed Com #1H wells located at the surface, first take point, last take point, and bottomhole locations described above. The wells will test the Purple Sage Wolfcamp Gas Pool and will be dedicated to an unorthodox 480-acre gas spacing and proration unit comprising the SE/4 of Section 26 and the E/2 of Section 35, T-25-S, R-31-E, NMPM, Eddy County, New Mexico. The unorthodox proration unit is necessary in order to maximize the recovery of oil and gas reserves within the Wolfcamp formation underlying the SE/4 of Section 26 and the E/2 of Section 35.

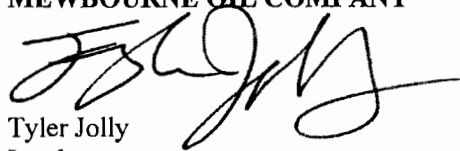
As the owner of an interest that may be affected by the proposed unorthodox proration unit, you are being provided notice as per Division rules and regulations. *Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you.* If no objection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

Enclosure  
Xc: OCD-Artesia

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

Very truly yours,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink, appearing to read 'TJolly', is written over the printed name.

Tyler Jolly  
Landman