

RECEIVED: <b>3/4/2017</b>	REVIEWER: <b>MAM</b>	TYPE: <b>DHC</b>	APP NO: <b>DmAM1709440197</b>
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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**

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> CARTER #3	<b>API:</b> 30-025-32876
<b>Pool:</b> D-K ABO; D-K DRINKARD; TUBB	<b>Pool Code:</b> 15200/15390

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

**DHC-4813**

- 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	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.**

Monty Whetstone

Print or Type Name

Signature

3/31/17  
 Date

903-561-2900  
 Phone Number

e-mail Address

**MEWBOURNE OIL COMPANY**  
**P. O. BOX 7698**  
**TYLER, TX 75711**  
**903 - 561-2900**  
**FAX 903 - 561-1870**

April 4, 2017

BY EMAIL

Mr. Michael McMillan  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Form C-107A  
Carter #3  
Sec 30 T20S R39E  
Lca Co., NM  
D-K Abo; D-K Drinkard; Tubb Pools

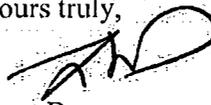
Dear Mr. McMillan,

Please find enclosed the following for the application to downhole commingle production from the Abo, Drinkard and Tubb zones in the referenced well:

Form C-107A  
Attachments information  
Administrative Application Checklist  
Letter from landman certifying no uncommon interests

If you need further information, please call me at (903) 561-2900.

Yours truly,



Janet Burns  
Reg. Tech.

cc: Hobbs  
Midland  
Jonathan White

**Attachments to C-107A**

Mewbourne Oil Company  
Carter #3  
Unit Letter D, Sec 30 T20S R39E  
D-K Abo; D-K Drinkard; Tubb Pools  
Lea Co., NM

**C-102 for each zone to be commingled showing its spacing unit and acreage dedication**

**Production curve is attached**

**Estimated production rates and supporting data**

Test Data:

D-K Abo	3/27/14	1 MCFD, 2.4 BO, 1 BW: last recorded production
D-K Drinkard	3/27/14	1 MCFD, 2.4 BO, 1 BW: last recorded production
Tubb	12/8/16	1 MCFD, 1.4 BO, 1 BW: current production

**Data to support allocation method or formula**

Test as shown above for both zones

**Notification list of working, royalty and overriding royalty interests for uncommon interest cases**

No uncommon interests.

**Any additional statements, data or documents required to support commingling**

The well is completed with 5 1/2" OD casing. In order to multiply complete the well to recover all economic reserves, the use of small diameter special clearance tubing would be required. Performing a multiple completion as described could not be economically justified for zones with limited deliverability. Commingling all three zones will prevent waste that would not otherwise be possible due to the increased cost to produce each individual zone. Commingling will prevent early abandonment of each production zone.

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Form C-102  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32876		Pool Code 15200	Pool Name D-K Abo
Property Code 16457	Property Name CARTER		Well Number 3
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY		Elevation 3561

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	30	20 S	39 E		990	NORTH	990	WEST	LEA

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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>16</p>				<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Bill Pierce</i></p> <p>Signature</p> <p>Bill Pierce</p> <p>Printed Name</p> <p>Drilling Supt.</p> <p>Title</p> <p>March 9, 1995</p> <p>Date</p>		
				<p><sup>18</sup> 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>2/28/95</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p><i>[Signature]</i></p> <p>Certificate Number 3640</p>		

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-32876		2 Pool Code 15390		3 Pool Name D-K Drinkard	
4 Property Code 16457		5 Property Name CARTER			6 Well Number 3
7 OGRID No. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3561

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	30	20 S	39 E		990	NORTH	990	WEST	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joist or Infill N	14 Consolidation Code	15 Order No.
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				<b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>			
						Signature Janet Burns	
				Printed Name Reg. Tech.		Title	
				Date 3/31/17		<b>18 SURVEYOR CERTIFICATION</b> <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>	
Date of Survey 2/28/95		Signature and Seal of Professional Surveyor					
Certificate Number 3640							

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 PO Drawer DD, Artesia, NM 88211-0719  
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 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

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 Submit to Appropriate District Office  
 State Lease - 4 Copies  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-32876		2 Pool Code		3 Pool Name Tubb	
4 Property Code 16457		5 Property Name CARTER			6 Well Number 3
7 OGRID No. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3561

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	30	20 S	39 E		990	NORTH	990	WEST	LEA

11 Bottom Hole Location If Different From Surface

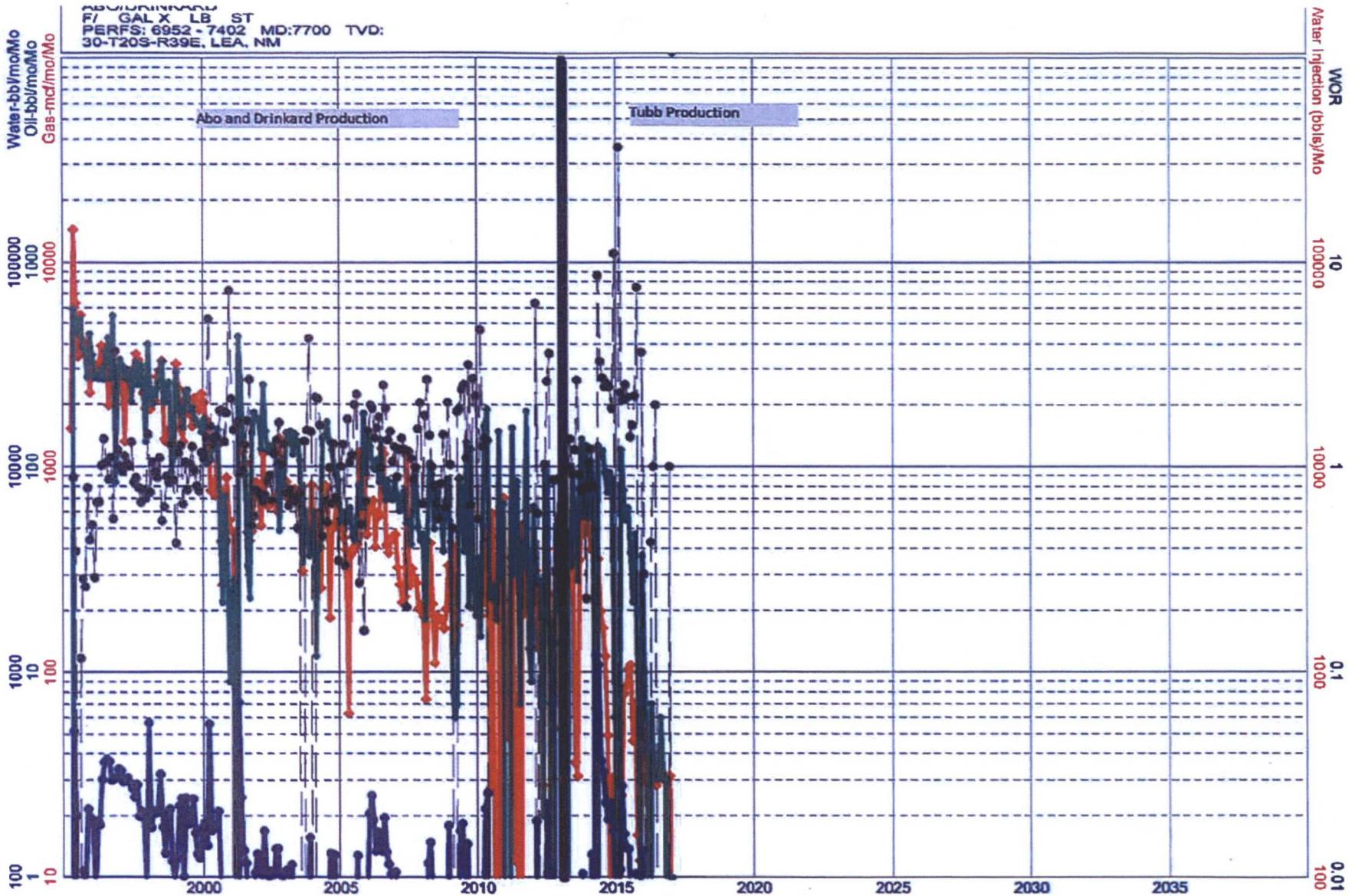
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill N	14 Consolidation Code	15 Order No.
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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

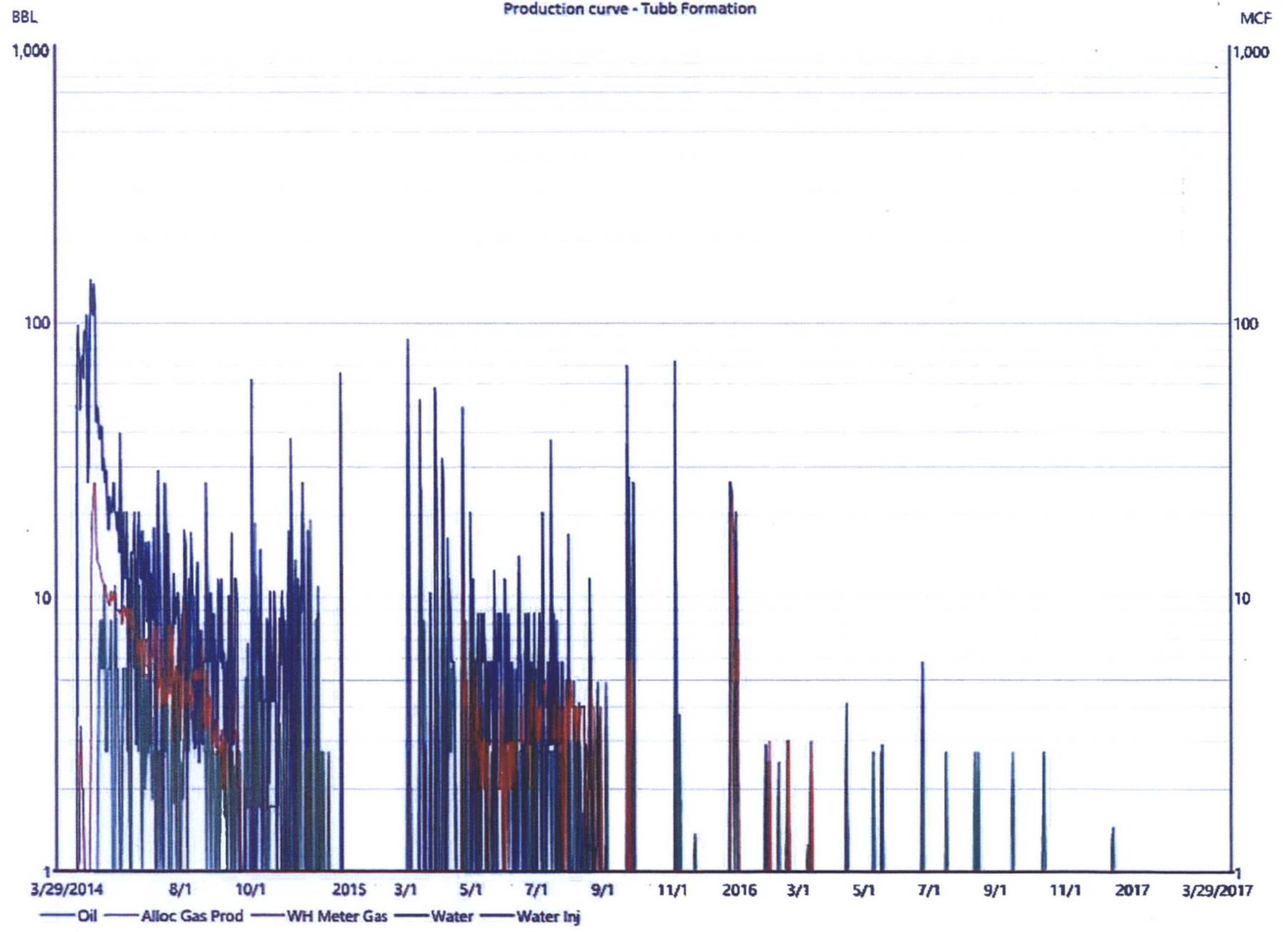
				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature Janet Burns</p> <p>Printed Name Reg. Tech.</p> <p>Title</p> <p>Date 3/31/17</p>
				<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby 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>2/28/95</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p></p> <p>Certificate Number 3640</p>

ABO/DRINKARD  
 F/ GAL X LB ST  
 PERFS: 6952 - 7402 MD:7700 TVD:  
 30-T20S-R39E, LEA, NM



Oil-bbl/mo	Gas-mcf/mo	Water-bbl/mo	Water Inject	WOR
Ref= 2/2017	Ref= 2/2017	Ref= 2/2017	Ref= 2/2017	Ref= 2/2017
Cum= 30221	Cum= 245649	Cum= 31966	Cum= 0	

CARTER #3  
Production curve - Tubb Formation



**MEWBOURNE OIL COMPANY**

P.O. BOX 7698  
TYLER, TX 75711  
(903) 561-2900  
FAX (903) 561-8909

**CERTIFIED MAIL**

April 4, 2017

Oil Conservation Division  
New Mexico Department of Energy  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Michael McMillan

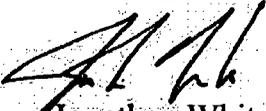
Re: Carter #3 Well  
NW/4 NW/4 Section 30-T20S-R39E  
Lea County, New Mexico

Gentlemen:

Regarding Mewbourne Oil Company's Application For Downhole Commingling, please be advised that the royalty, overriding royalty and working interest ownership in the captioned land is common as to all depths and zones of interest. The captioned land is comprised entirely of fee leases.

Should you have any questions regarding the above, please call me at (903) 561-2900 or my email address is [jwhite@mewbourne.com](mailto:jwhite@mewbourne.com).

Kind regards,

  
Jonathan White, RPL  
Landman

Enclosures

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
811 S. First St., Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-107A  
Revised August 1, 2011

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Mewbourne Oil Company Address P. O. Box 7698, Tyler, TX 75711  
Lease Carter Well No. 3 Unit Letter-Section-Township-Range D-30-20S-39E County Lea  
OGRID No. 14744 Property Code 16457 API No. 30-025-32876 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Tubb	D-K Drinkard	D-K Abo
Pool Code		15390	15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6652-6670'	6952-7072'	7312-7402'
Method of Production (Flowing or Artificial Lift)	Rod pump	Rod pump	Rod pump
Bottomhole Pressure <small>(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)</small>			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	35.2	36	36
Producing, Shut-In or New Zone	Producing	SI	SI
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: 12/8/16 Rates: 1 MCFD 1.4 BOPD	Date: 3/27/14 Rates: 1 MCFD 2.4 BOPD	Date: 3/27/14 Rates: 1 MCFD 2.4 BOPD
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil 22 % Gas 33 %	Oil 39 % Gas 33 %	Oil 39 % Gas 34 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Reg. Tech. DATE 4/4/17

TYPE OR PRINT NAME Janet Burns TELEPHONE NO. (903) 561-2900

E-MAIL ADDRESS jburns@mewbourne.com