

DATE IN 5/18/17	SUSPENSE	ENGINEER LRL	LOGGED IN 5/22/17	NSL/NSP TYPE	APP NO PLEL 1714257286
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29
6/9/17

ABOVE THIS LINE FOR DIVISION USE ONLY

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



NSL-
NSP- N/A

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] **MEWBOURNE OIL COMPANY**
 [A] Location - Spacing Unit - Simultaneous Dedication **ROSCOE 6 B3AD FED COM**
 NSL NSP SD **NO 7.H**
 Check One Only for [B] or [C] **API # 30-015-43168**
 [B] Commingling - Storage - Measurement **POOL: AVALON Lane**
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery **: BONE SPRING**
 WFX PMX SWD IPI EOR PPR **# 70860**
 [D] Other Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply **3714**
 [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

Raymond R. Winkeljohn Raymond R. Winkeljohn Landman 5/18/17
 Print or Type Name Signature Title Date
rwinkeljohn@mewbourne.com
 e-mail Address

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

May 19, 2017

Via Certified Mail

New Mexico Oil Conservation Division

1220 S. St Francis Drive

Santa Fe, New Mexico 87505

Attn Mr. Leonard Lowe

Re Application for Unorthodox Well Location and Non-Standard Proration Unit

Roscoe 6 B3AD Fed Com #1H

API No 3001543168

Surface Location 1270' FNL & 265' FEL (Unit H (Lot 8) – Section 6, T21S, R27E)

First Take Point 975' FNL & 760' FEL (Unit A (Lot 1) – Section 6, T21S, R27E)

Last Take Point 330' FNL & 330' FWL (Unit D (Lot 4) – Section 6, T21S, R27E)

Bottomhole Location 330' FNL & 330' FWL (Unit D (Lot 4) – Section 6, T21S, R27E)

Lots 1-4 Section 6, T-21-S, R-27-E, NMPM, Eddy County, New Mexico

Dear Mr. Lowe

Pursuant to Division Rule 19.15 4 12 A 3 and 19 15 15.13, Mewbourne Oil Company (“Mewbourne”) respectfully requests administrative approval of an unorthodox oil well location and non-standard proration unit for its proposed Roscoe 6 B3AD Fed Com #1H. This well will be drilled as a horizontal oil well in the Avalon, Bone Spring, (Oil) Pool (70860).

The Roscoe 6 B3AD Fed Com #1H will be dedicated to a 119 20-acre oil spacing and proration unit comprising Lots 1-4 of Section 6. There are currently no other existing Bone Spring producing wells within the proposed spacing unit.

The Avalon; Bone Spring, (Oil) Pool is currently governed by Division Rule 19 15 15 09 which requires standard 160-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit, or in the case of a horizontal well, no closer than 330 feet to the outer boundary of the producing area.

The unorthodox location and non-standard proration unit are necessary in order to maximize the recovery of oil and oil reserves from the Bone Spring formation underlying Lots 1-4 of Section 6.

The affected offset acreage comprises Lots 5-8 of Section 6, Lots 1-8 of Section 5, Lots 1-8 of Section 1, Township 21 South, Range 26 East, NMPM, S/2S/2 of Section 31, Township 20 South, Range 28 East, NMPM, and the S/2S/2 of Section 36, Township 20 South, Range 27, NMPM (See Attached Map). There are currently no Bone Spring producers within the offset acreage.

Consequently, notice of this application is being provided to XTO Energy Inc, Chevron U.S.A. Inc, Fasken Land and Minerals Ltd, Rubicon Oil and Gas II LP, NMOCD, EOG M Resources Inc, EOG Resources Assets LLC, John A Yates, John L Schlagal, Sigmar Inc, Judson Operations LTD, Robert B Anderson, Santo Legado LLC, Richard M. Yates, Mari Gold LLLP, and Magic Dog Oil & Gas LTD

Attached is a Form C-102 showing the surface, first take point, last take point, and bottomhole locations for the Roscoe 6 B3AD Fed Com #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 oil reserves from the Avalon; Bone Spring, (Oil) Pool underlying Lots 1-4 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 rwinkeljohn@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY



Ray Winkeljohn
Landman

(District)
 1635 N. French Dr., Hobbs, NM 88240
 Phone: (575) 993-6140 Fax: (575) 393-0720
 (District)
 511 N. First St., Artesia, NM 88210
 Phone: (575) 748-1203 Fax: (575) 748-9720
 (District)
 1000 Rln Drains Road, Aztec, NM 87410
 Phone: (505) 334-6171 Fax: (505) 334-6170
 (District)
 1229 S. St. Francis Dr. Santa Fe, NM 87505
 Phone: (505) 476-3400 Fax: (505) 476-3467

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

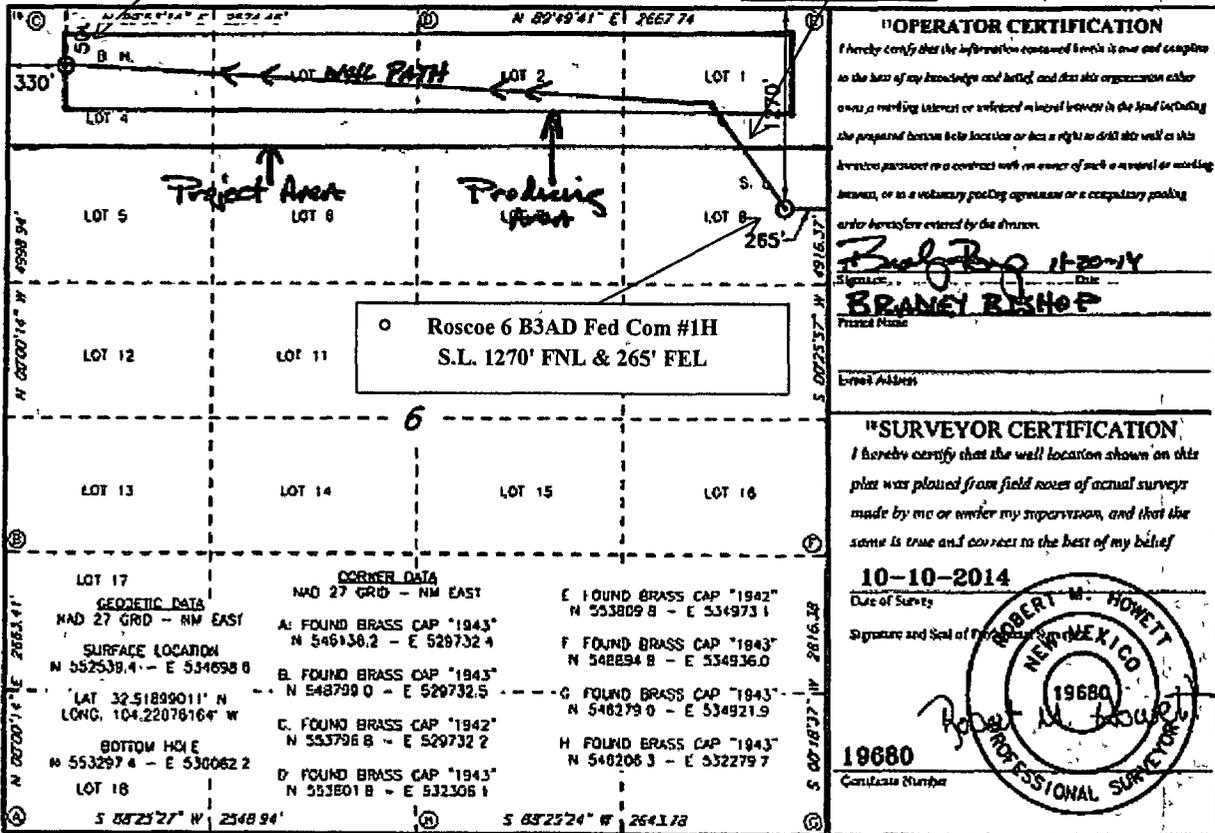
Form C-102
 Revised August 1, 2011
 Submit one copy to appropriate District Office

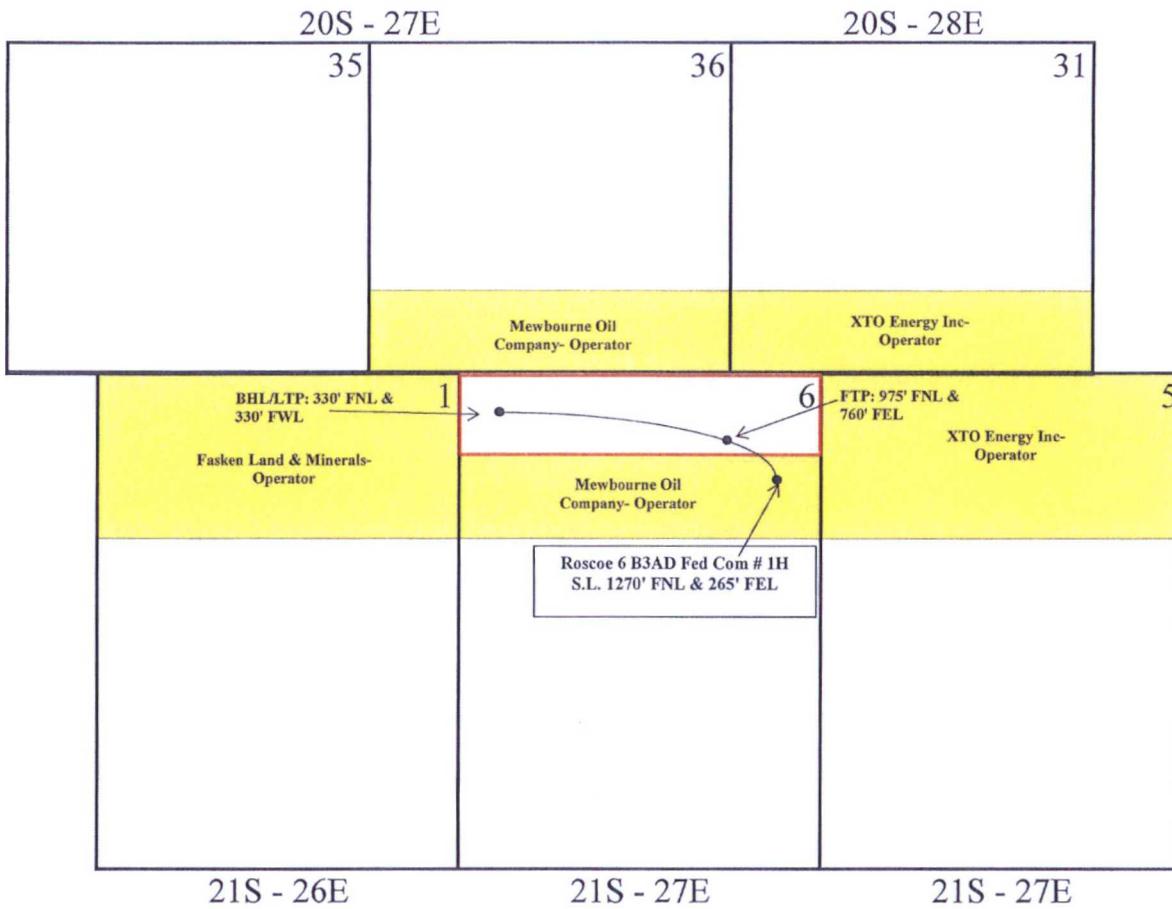
RECEIVED AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-00-43168 <small>1 Pool Code</small>		70860 <small>2 Pool Name</small>		AVALON BONE SPRING <small>3 Pool Name</small>	
314887 <small>4 Property Code</small>		ROSCOE 6 B3AD FED COM <small>5 Property Name</small>		1H <small>6 Well Number</small>	
14744 <small>7 GRID NO</small>		MEWBOURNE OIL COMPANY <small>8 Operator Name</small>		3228' <small>9 Elevation</small>	
10 Surface Location					
<small>11</small> 8/A <small>UL or lot no.</small>	6 <small>Section</small>	21S <small>Township</small>	27E <small>Range</small>	1270 <small>Lot lds</small>	NORTH <small>Feet from the North/South line</small>
265 <small>Feet from the East/West line</small>	EAST <small>East/West line</small>	EDDY <small>County</small>			
11 Bottom Hole Location If Different From Surface					
4/D <small>UL or lot no.</small>	6 <small>Section</small>	21S <small>Township</small>	27E <small>Range</small>	330 <small>Feet from the North/South line</small>	WEST <small>East/West line</small>
EDDY <small>County</small>					
119.20 <small>12 Dedicated Acres</small>		BHL/LTP. 330' FNL & 330' FWL <small>13 Area or Infill</small>		<small>14 Order No.</small>	

No allowable well location until all interest have been consolidated. FTP: 975' FNL & 460' FEL has been approved by the division





— 119.20-Acre Spacing Unit
 ■ Affected Offset Acreage/Tracts

Mewbourne Oil Company
Application for Unorthodox Well Location
Roscoe 6 B3AD Fed Com #1H
Affected Offset Acreage

Notice List

Mewbourne Oil Company

Application for Unorthodox Well Location and Non-Standard Proration Unit

Roscoe 6 B3AD Fed Com #1H, Section 6, T21S, R27E

Eddy County, New Mexico

Owners Noticed	Tract Number	Certified Tracking Number
XTO Energy Inc 810 Houston Street, Suite 2000 Fort Worth, TX 76102-6298 Attn Ms Angie Repka	See Attached Plat 5, 31	9414810699945023182126
Chevron USA Inc 1400 Smith St Houston, TX 77002 Attn Ms Amber Delach	See Attached Plat 6	9414810699945023182171
Fasken Land and Minerals, Ltd 6101 Holiday Hill Road Midland, TX 79707-1631 Attn Ms Linda Hicks	See Attached Plat 1	9414810699945023182201
Rubicon Oil and Gas II, LP 508 West Wall, Suite 500 Midland, TX 79701 Attn Mr Crawford Smith	See Attached Plat 6	9414810699945023182270
NMOCD 811 S First St Artesia, NM 88210 Attn Mr Paul Kautz	See Attached Plat N/A	9414810699945023182317
EOG M Resources, Inc 5509 Champions Drive Midland, TX 79706 Attn Wendy Dalton	See Attached Plat 36	9414810699945023182348
EOG Resources Assets LLC 5509 Champions Drive Midland, TX 79706 Attn Wendy Dalton	See Attached Plat 36	9414810699945023182416

John A Yates P O Box 900 Artesia, NM 88211-0900	See Attached Plat 36	9414810699945023182461
John L Schlagal 5700 South County Road 1200 Midland, TX 79706	See Attached Plat 36	9414810699945023182508
Sigmar Inc 400 North Marienfeld Suite 100 Midland, TX 79701 Attn Land Manager	See Attached Plat 36	9414810699945023182560
Judson Operations LTD P O Box 3340 Midland, TX 79702-3340 Attn Land Manager	See Attached Plat 36	9414810699945023182577
Robert B Anderson P O Box 1000 Roswell, NM 88202-1000	See Attached Plat 36	9414810699945023182607
Santo Legado LLC P O Box 1020 Artesia, NM 88211-1020 Attn Land Manager	See Attached Plat 36	9414810699945023182621
Richard M Yates DBA Tulipan LLC 428 Sandoval, Suite 200 Santa Fe, NM 87501	See Attached Plat 36	9414810699945023182799
Mari Gold LLLP P O Box 1290 Artesia, NM 88211-1290 Attn Land Manager	See Attached Plat 36	9414810699945023182874
Magic Dog Oil & Gas LTD P O Box 10708 Midland, TX 79702 Attn Land Manager	See Attached Plat 36	9414810699945023182959

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

May 19, 2017

Via Certified Mail

See Attached List

Re Mewbourne Oil Company's Application for Unorthodox Well Location and Non-Standard Proration Unit

Roscoe 6 B3AD Fed Com #1H (API No. 3001543168)

Surface Location	1270' FNL & 265' FEL (Unit H (Lot 8) – Section 6, T21S, R27E)
First Take Point	975' FNL & 760' FEL (Unit A (Lot 1) – Section 6, T21S, R27E)
Last Take Point	330' FNL & 330' FWL (Unit D (Lot 4) – Section 6, T21S, R27E)
Bottomhole Location	330' FNL & 330' FWL (Unit D (Lot 4) – Section 6, T21S, R27E)
Proration Unit	Lots 1-4 Section 6, T-21-S, R-27-E, NMPM, Eddy County, New Mexico
Pool	Avalon, Bone Spring, (Oil) Pool (70860)

Ladies and Gentlemen

Enclosed please find a copy of the application filed by Mewbourne Oil Company ("Mewbourne") for approval of an unorthodox oil well location and non-standard proration unit for its Roscoe 6 B3AD Fed Com #1H located at the surface, first take point, last take point, and bottomhole locations described above. The well will test the Avalon; Bone Spring, (Oil) Pool and will be dedicated to a non-standard 19.20-acre oil spacing and proration unit comprising lots 1-4 of Section 6, T-21-S, R-27-E, NMPM, Eddy County, New Mexico. The unorthodox location and non-standard proration unit are necessary in order to maximize the recovery of oil and gas reserves within the Bone Spring formation underlying lots 1-4 of Section 6.

As the owner of an interest that may be affected by the proposed unorthodox oil well location and Non-Standard 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.

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

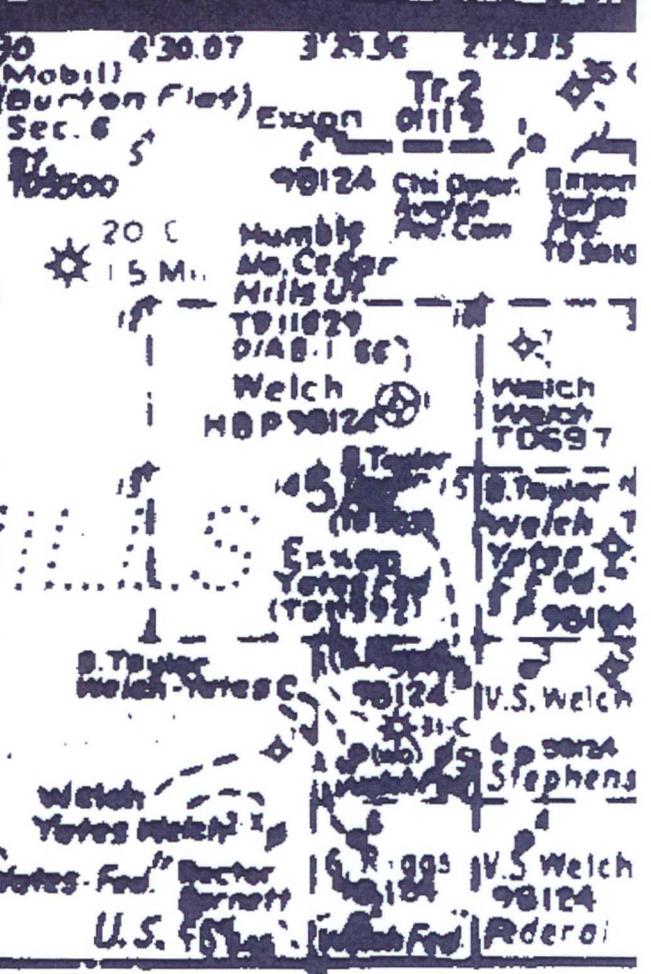
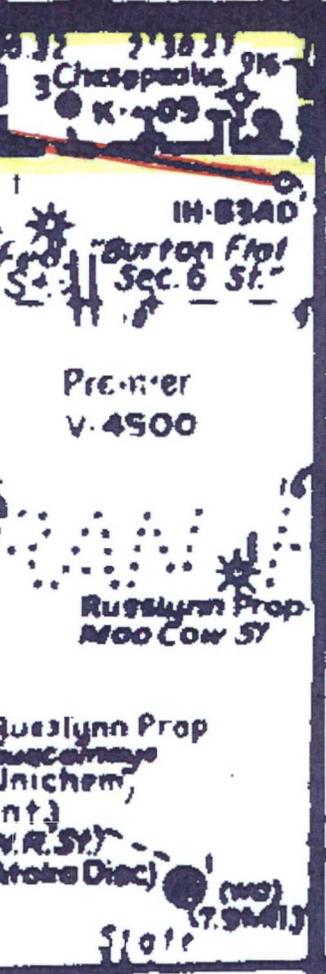
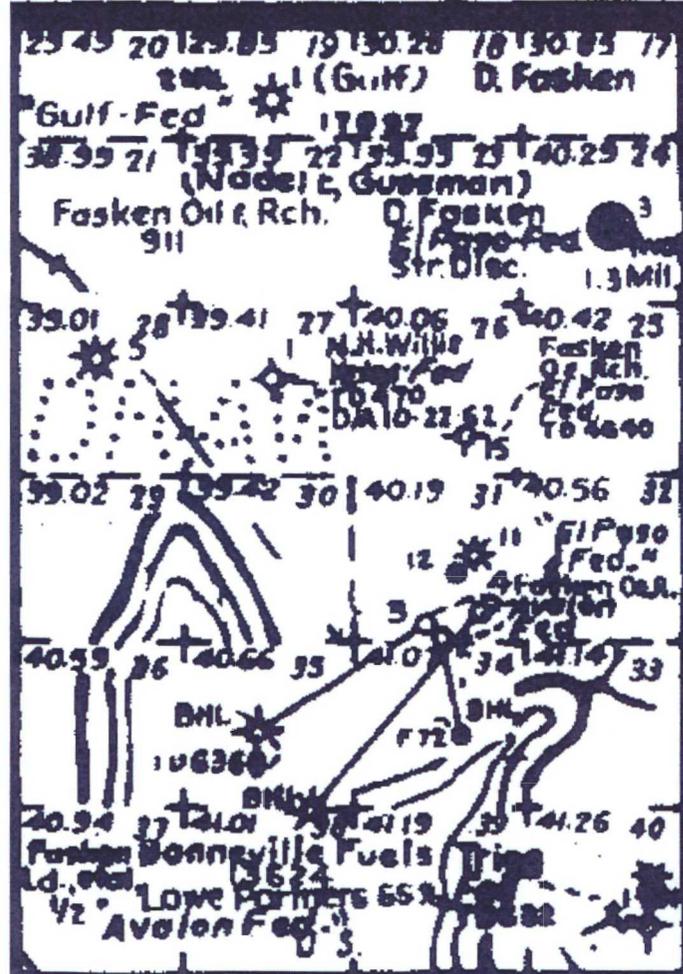
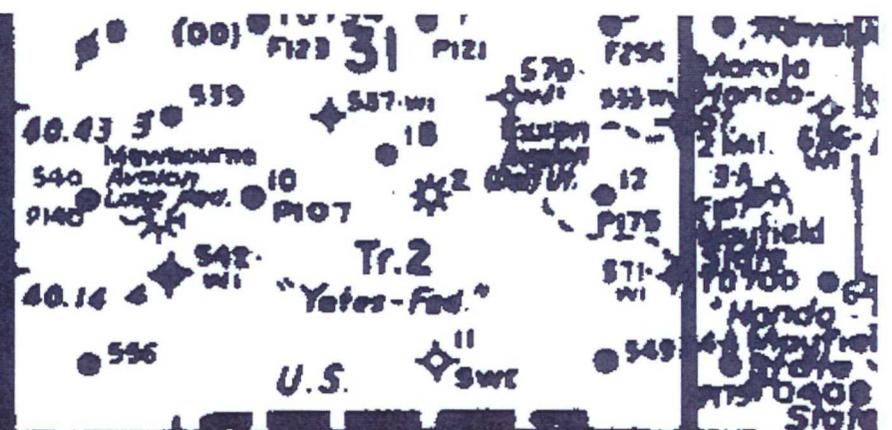
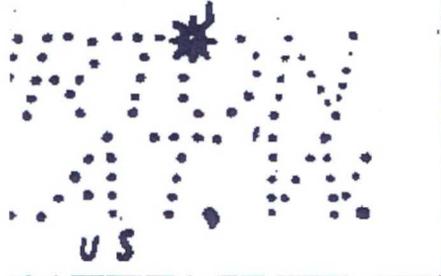
Sincerely,

MEWBOURNE OIL COMPANY

Ray Winkeljohn
Landman

EXXON (UPPER)

35





COMPANY: Mewbourne Oil Company
 WELL: Roscoe 6 B3AD Fed Com 1H
 COUNTY: Eddy County, New Mexico
 DATUM: NAD 1927 (NADCON CONUS)
 RIG: Patterson Patterson 242



GRID CORRECTION: To convert a Magnetic Direction to a Grid Direction, Add 7.26°

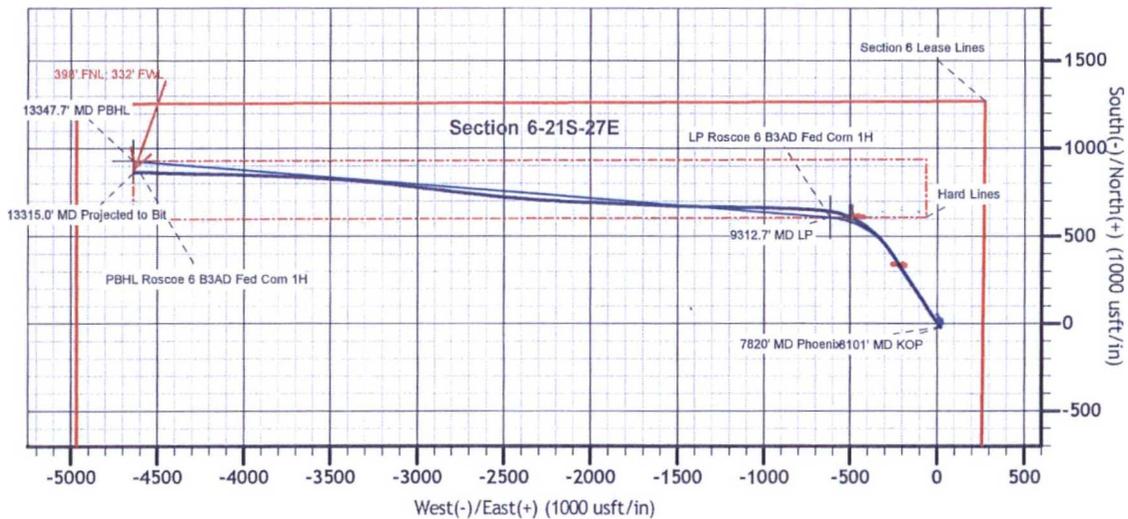
OFFICE: 936.582.7296

GEODETTIC ZONE: New Mexico East 3001 3228 + 27 @ 3255 0usft (Patterson 242) GROUND ELEVATION: 3228.0										
	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot			
	0.0	0.0	552539.40	534698.60	32° 31' 8.364 N	104° 13' 14.742 W				
PLAN SECTIONS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSEct	Target
1	7820.0	2.57	175.95	7815.4	-15.5	21.1	0.00	0.00	-23.7	
2	7948.5	0.00	0.00	7943.8	-18.3	21.3	2.00	180.00	-24.5	
3	8101.0	0.00	0.00	8096.3	-18.3	21.3	0.00	0.00	-24.5	
4	8867.8	90.00	326.75	8594.4	389.9	-246.4	11.74	326.75	318.1	LP Roscoe 6 B3AD Fed Com 1H
5	9312.7	91.78	274.54	8577.0	608.9	-616.0	11.74	-67.76	723.5	PBHL Roscoe 6 B3AD Fed Com 1H
6	13347.7	91.78	274.54	8452.0	928.1	-4636.4	0.00	0.00	4728.4	PBHL Roscoe 6 B3AD Fed Com 1H

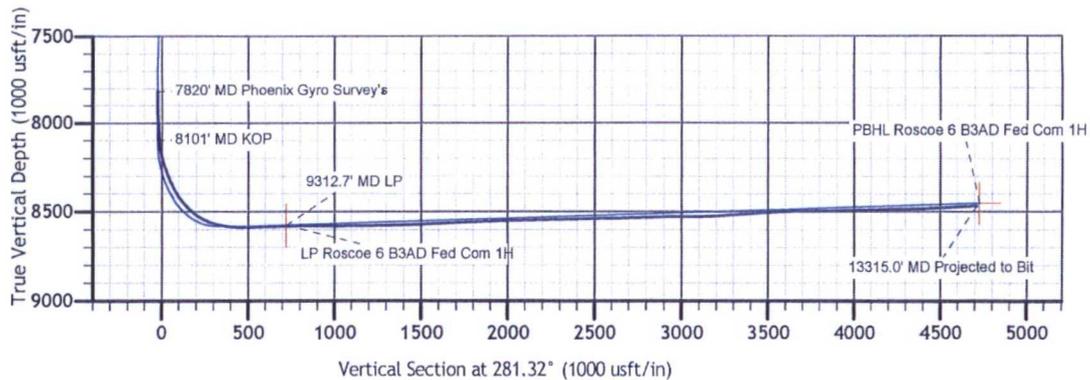
T G M

Azimuths to Grid North
 True North: -0.06°
 Magnetic North: 7.25°

Magnetic Field
 Strength: 48082.9snT
 Dip Angle: 60.23°
 Date: 2/1/2017
 Model: IGRF2015



SHL 1270' FNL; 265' FEL
 Section 6-21S-27E
 PBHL 330' FNL; 330' FWL
 Section 6-21S-27E



Lowe, Leonard, EMNRD

From: Ray Winkeljohn <rwinkeljohn@mewbourne.com>
Sent: Friday, May 19, 2017 4:10 PM
To: Lowe, Leonard, EMNRD
Subject: NSL & NSP Roscoe 6 B3AD Fed Com #1H
Attachments: NSL & NSP NMOCD.pdf

Hi Leonard,

I have attached our Application for Unorthodox Well Location and Non-Standard Proration Unit for our Roscoe 6 B3AD Fed Com #1H well in Section 6-T21S-R27E, Eddy County, NM

Please let me know if you have any questions or concerns

Thank you,

Ray Winkeljohn
Landman

Mewbourne Oil Company
500 West Texas Ave, Suite 1020,
Phone (432)-682-3715
Email rwinkeljohn@mewbourne.com

U.S. DEPARTMENT OF THE INTERIOR *PRIVATE CLAIMS*
BUREAU OF LAND MANAGEMENT General Land Office Records

BLM

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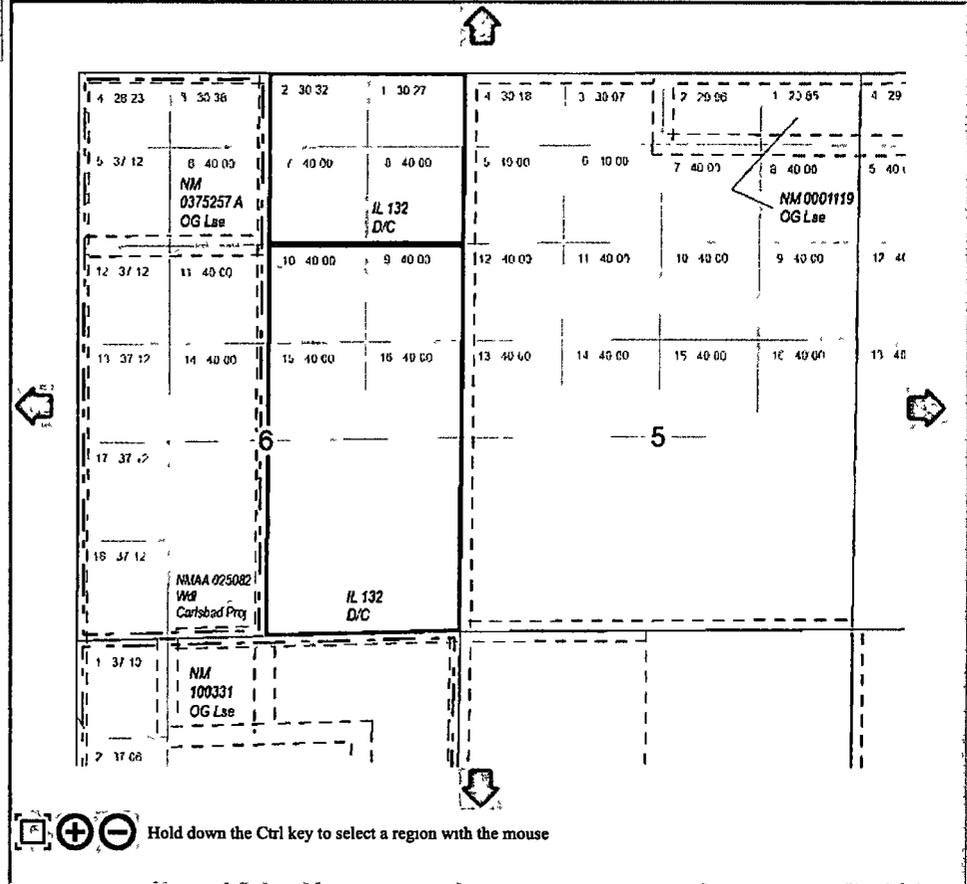
Search Documents | Results List | LSR Details

DM ID: 40162 Document Type Oil and Gas State New Mexico Posted Date 10/3/2016

Land Status Record Details Related Documents

Township / Range	021 05 - 027 0E
Meridian	New Mexico Pm
State Office	New Mexico State Office
Pages	1

Sheet 1



Basic Viewer



Note You can download our LSR images directly by clicking one of the icons above
Check out our [Viewing And Printing Images Guide](#) for more information

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 24 2017

Form C-102

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

Revised August 1, 2011
Submit one copy to appropriate
District Office

RECEIVED

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-44076		2 Pool Code 70860		3 Pool Name AVALON BONE SPRING					
4 Property Code 317466		5 Property Name ROSCOE 6 B3HE FED COM			6 Well Number 1H				
7 GRID NO 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3225'				
10 Surface Location									
UL or lot no 8	Section 6	Township 21S	Range 27E	Lot Idn	Feet from the 2100'	North/South line NORTH	Feet from the 295'	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no 5	Section 6	Township 21S	Range 27E	Lot Idn	Feet from the 2100'	North/South line NORTH	Feet from the 330'	East/West line WEST	County EDDY
12 Dedicated Acres 160		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

<p>16</p> <p>N 89°53'14" E 2574.46'</p> <p>N 89°49'41" E 2667.74'</p> <p>LOT 3</p> <p>LOT 2</p> <p>LOT 1</p> <p>2100'</p> <p>LOT 4</p>	<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 and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location 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</p> <p>Signature: <i>Bradley Bishop</i> Date: 6-2-15</p> <p>Printed Name: BRADLEY BISHOP</p> <p>E-mail Address:</p>
<p>LOT 13</p> <p>LOT 14</p> <p>LOT 15</p> <p>LOT 16</p> <p>LOT 17</p> <p>CORNER DATA</p> <p>NAD 27 GRID - NM EAST</p> <p>E FOUND BRASS CAP "1942" N 553809.8 - E 534973.1</p> <p>A FOUND BRASS CAP "1943" N 546136.2 - E 529732.4</p> <p>F FOUND BRASS CAP "1943" N 548894.8 - E 534936.0</p> <p>B FOUND BRASS CAP "1943" N 548799.0 - E 529732.5</p> <p>G FOUND BRASS CAP "1943" N 546279.0 - E 534921.9</p> <p>C FOUND BRASS CAP "1942" N 553796.8 - E 529732.2</p> <p>H FOUND BRASS CAP "1943" N 546206.3 - E 532279.7</p> <p>D FOUND BRASS CAP "1943" N 553801.8 - E 532306.1</p> <p>LOT 18</p> <p>S 88°25'27" W 2548.94'</p> <p>S 88°25'24" W 2643.78'</p>	<p>18</p> <p>10-10-2014</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>ROBERT M. HOWETT</p> <p>19680</p> <p>Certificate Number</p>

MEWBOURNE OIL COMPANY

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

June 26, 2017

Via e-mail

Michael McMillan
Oil Conservation Division
1220 South St Francis Drive
Santa Fe, New Mexico 87505

Re: NSL application
Roscoe 6 B3AD Fed Com Well No 1H
Lots 1-4 §6-21S-27E

Dear Mr McMillan

Mewbourne requests approval of an unorthodox location for the above well from a point beginning 975 feet FNL (15 feet from the south line of the well unit) of Section 6, to a point 660 feet FNL of Section 6. The reasons for this request are as follows.

1. If the request is not granted, and the well cannot produce until the wellbore is 660 feet FNL of Section 6, the well will lose approximately 475 feet (10%) of productive wellbore, thus causing waste of reserves and making the well less economic.
2. State Lease K-4097-1 covers Lots 1, 2, 7, and 8 of Section 6, and it has common ownership. Federal Lease NM 037527(a) covers Lots 3-6 of Section 6, and it has common ownership.

The well unit for the subject well is being communitized (the Land Office has approved the agreement, and Mewbourne is waiting for BLM approval). Mewbourne has a proposed well in Lots 5-8 of Section 6. The well unit for that well will also be communitized.

The interest owners in the well unit comprising Lots 5-8 of Section 6 will not be adversely affected by the unorthodox location because of common ownership and communitized production.

3. The proposed Roscoe 6 B3HE Fed Com Well No 1H is located in the southern portion of its well unit. See Exhibit A. The two wells nearest approach to each other is 1125 feet, and there will be no interference between wells.

Although the requested location is quite unorthodox, it will the result in optimal development of the 3rd Bone Spring reservoir in the N1/3 of Section 6 As a result, Mewbourne requests that its application be approved

Very truly yours,

A handwritten signature in black ink, appearing to read "Travis Cude". The signature is fluid and cursive, with the first name "Travis" written in a larger, more prominent script than the last name "Cude".

Travis Cude
Engineer