

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 \_\_\_\_\_

RECEIVED  
 2008 OCT 17 AM 11 55

[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.**

Robin Terrell		SR Production Engineer	10/09/08
Print or Type Name	Signature	Title	Date
		rterrell@mewbourne.com	
		e-mail Address	

MEWBOURNE OIL COMPANY  
PO BOX 5270  
HOBBS, NM 88240  
575-393-5905  
FAX 575-397-6252

October 09, 2008

Engineering Bureau  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Form C-107A  
La Huerta "30" Fee Com #1Y  
Commingle

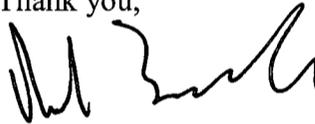
To Whom It May Concern:

Please find enclosed the following for the application to downhole commingle production from the Burton Flat Morrow and Undesignated Atoka & Canyon Gas Pools in the referenced well:

Form C107A  
Attachments information  
Form C-102 for both zones  
Administrative Application Checklist

Mewbourne Oil Company would appreciate this commingle request being processed as soon as possible. If you need further information, please call me at (575) 390-4816.

Thank you,



Robin Terrell  
SR Production Engineer

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division

APPLICATION TYPE

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

Single Well  
Establish Pre-Approved Pools  
EXISTING WELLBORE  
X Yes \_\_\_ No

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

APPLICATION FOR DOWNHOLE COMMINGLING

Mewbourne Oil Company PO Box 5270, Hobbs, NM 88240  
Operator Address

*DHE 4116*

La Huerta "30" Fee Com #1Y Well No. P - Sec 30, T21S, R27E Unit Letter-Section-Township-Range Eddy County

OGRID No. 14744 Property Code 32920 API No. 30-015-33183 Lease Type: Federal State X Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name <i>UND<sup>2</sup> CROZIER BLUFF ATOKA Can</i>	Undesignated Atoka & Canyon	<i>Wildcat Canyon Gas</i>	Burton Flat Morrow <i>Gas</i>
Pool Code			73280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Atoka 12144 - 12150 MD Canyon 11176 - 11186 MD		12888' - 13029' MD
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Behind pipe		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Estimated rate 1000 MCF 2 BO, 5 BW	Date: Rates:	Date: 10/09/08 Rates: 50 MCF 0 BO, 1 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 66% Gas 95%	Oil <i>PCT</i> % Gas <i>Letter</i> %	Oil 33% Gas 5%

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 *Robin Terrell* TITLE Sr Production Engineer DATE 10/09/08

TYPE OR PRINT NAME Robin Terrell TELEPHONE NO. (575) 393-5905

E-MAIL ADDRESS rterrell@mewbourne.com

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 DISTRICT IV  
 2040 South Pacheco, Santa Fe, NM 87505

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name <i>Burton Flat Morrow + Undesignated Afton + Canyon Gas Pool</i>
Property Code	Property Name LA HUERTA "30" FEE COM.	Well Number 1-Y
OGRID No.	Operator Name MEWBOURNE OIL COMPANY	Elevation 3142'

**Surface Location**

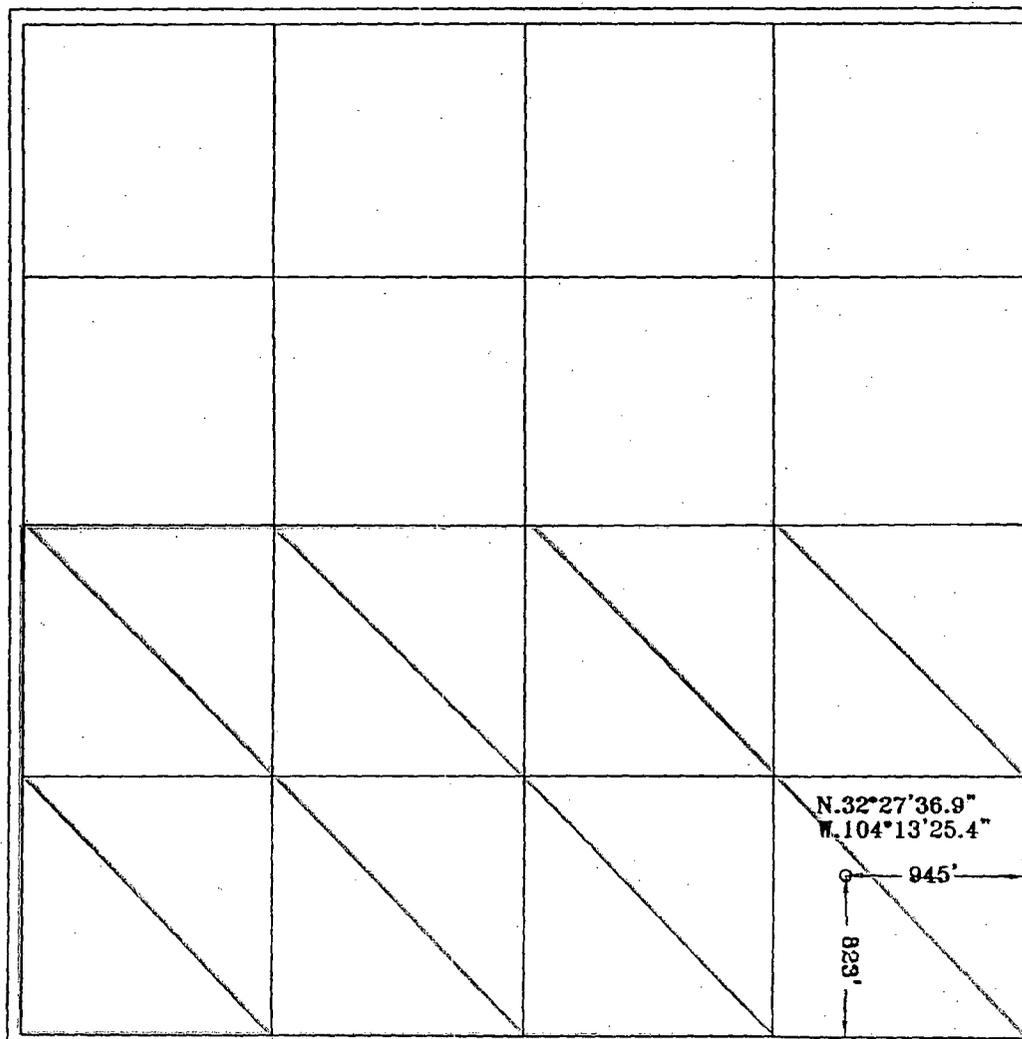
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	21S	27E		823	SOUTH	945	EAST	EDDY

**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
P	30	21S	27E		606	South	696	East	Eddy

Dedicated Acres	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 the the information contained herein is true and complete to the best of my knowledge and belief.*

*[Signature]*  
 Signature  
 Rick Taylor  
 Printed Name  
 Drilling Foreman  
 Title  
 January 15, 2004  
 Date

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**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.*

12/29/2003  
 Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No. Herschel S. Jones RLS 3640  
 ESPERANZA 30-11  
 GENERAL SURVEYING COMPANY

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'

**Lease: LA HUERTA 30 FEE#1Y**

Location: 30-T21S-R27E  
 Reservoir: MIDDLE MORROW  
 Field: BURTON FLAT  
 City, St: EDDY, NM  
 Operator: NEWBOURNE OIL COMPANY

Gas, Mcf/day  
 Ref= 9/2008  
 Cum= 263376

Oil, Bbl/day  
 Ref= 9/2008  
 Cum= 55

Water, Bbl/day  
 Ref= 9/2008  
 Cum= 1739

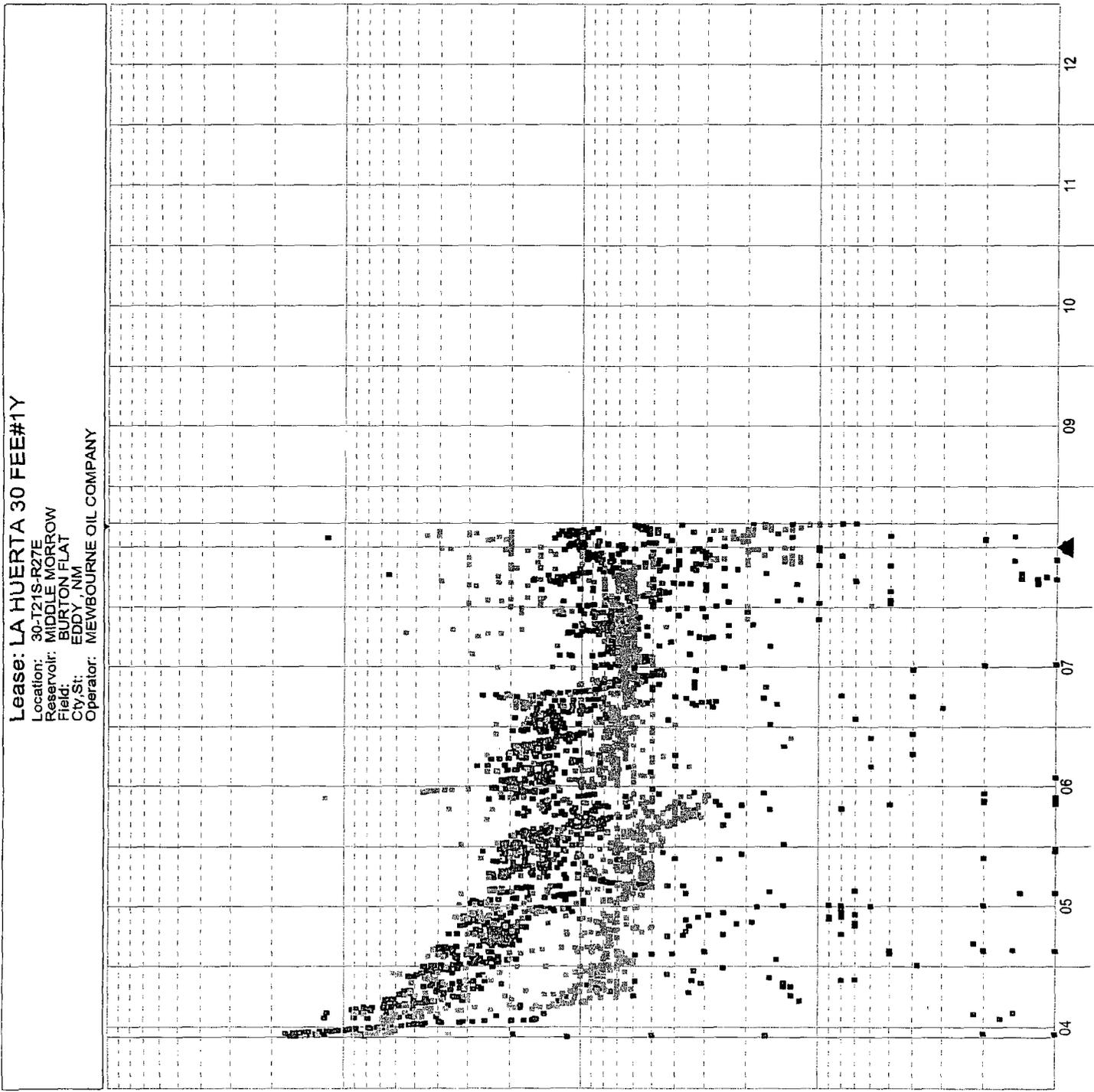
FTP, psi  
 Ref= 9/2008  
 Cum= 206550

FTP, psi 1000 100 10 1

Gas, Mcf/day 1000 100 10 1

Oil, Bbl/day 100 10 1 0.1

Water, Bbl/day 10000 1000 100 10



MEWBOURNE OIL COMPANY  
La Huerta "30" Fee Com #1Y  
Unit Letter P, Sec 30 T21S R27E  
Undesignated Canyon and Atoka Gas Pool and Burton Flat Morrow  
Eddy Co., NM

**Attachments to C-107A**

1. **C102 for each zone to be commingled showing its spacing unit & acreage dedication.**
2. **Production curve for existing Morrow perms showing current production.**

Undesignated Canyon and Atoka Gas Pool (Estimated production 1000 MCF 2 BO, 5 BW)  
Burton Flat Morrow (Current production 50 MCF, 0 BO, 1 BW)

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

No uncommon interests.

4. **Additional statements and data to support commingle.**

The well is completed with 5 1/2" OD casing. In order to dually complete the well to recover all economic reserves, the use of small diameter special clearance tubing would be required. Performing a dual completion as described could not be economically justified for a zone with limited deliverability. To produce the Atoka & Canyon interval (upper zones) up the annulus (5 1/2" - 2 7/8") is not recommended due to liquid loading and insufficient velocity to lift produced fluids with the estimated gas rates listed above. The addition of the Morrow as a commingled zone 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.