

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMNM118696
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
NMNM127663
8. Well Name and No.
WYATT DRAW 24-25 NF FED COM 1
9. API Well No.
30-015-38637-00-S1
10. Field and Pool, or Exploratory
SEVEN RIVERS
11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
MEWBOURNE OIL COMPANY

Contact: JACKIE LATHAN
E-Mail: jlathan@mewbourne.com

3a. Address
P O BOX 5270
HOBBS, NM 88241

3b. Phone No. (include area code)
Ph: 575-393-5905

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 24 T19S R25E NESW 1650FSL 2290FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Surface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Mewbourne Oil Company request approval to Surface Commingle production on shared well pad.

Wyatt Draw 24/25 NF Fed Com #1H Sec 24, SESW, T19S, R25E 3001538637
Wyatt Draw 24/25 OG Fed Com #1H Sec 24, SWSE, T19S, R25E 3001539821 - NM 127663
Wyatt Draw 24/25 IH Fed Com #1H Sec 24, NESE, T19S, R25E 3001540909 - NM 131002

See attached detailed commingling information, diagram, and map.

NM OIL CONSERVATION
ARTESIA DISTRICT
FEB 06 2017

**SEE ATTACHED FOR RECEIVED
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #278552 verified by the BLM Well Information System
For MEWBOURNE OIL COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 06/19/2015 (15CQ0381SE)**

Name (Printed/Typed) KYLE MITCHELL Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission) Date 11/12/2014

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

JAN 11 2017

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

OFF LEASE MEASUREMENT, SALES & STORAGE

Commingling procedure for Wyatt Draw 24/25 leases:

Mewbourne Oil Company is requesting approval for Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage from the following wells for oil and gas:

Federal Lease #NMMN127663

Well Name	Location	API #	Pool 97565	BOPD	Oil Gravity	Mcfpd	BTU @ 14.7 psi
Wyatt Draw 24/25	Sec24-T19S R25E	30-015-38637	N Seven River	20	40	20	1488
NF Fed Com #1H	1650' FSL & 2290' FWL		Glorieta, Yeso				

Federal Lease #NMMN128801

Well Name	Location	API #	Pool 97565	BOPD	Oil Gravity	Mcfpd	BTU @ 14.7 psi
Wyatt Draw 24/25	Sec24-T19S R25E	30-015-39821	N Seven River	20	40	25	1488
OG Fed Com #1H	1620' FSL & 1740' FEL		Glorieta, Yeso				

Federal Lease #NMMN131002

Well Name	Location	API #	Pool 97565	BOPD	Oil Gravity	Mcfpd	BTU @ 14.7 psi
Wyatt Draw 24/25	Sec24-T19S R25E	30-015-40909	N Seven River	30	40	25	1488
IH Fed Com #1H	2100' FSL & 870' FEL		Glorieta, Yeso				

Oil & Gas metering:

Oil, water, and gas volumes from each well producing to these batteries will be determined by using a test separator and test gas meter at the facility so that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, water, and gas. Well tests for each well will be on a three day rotation. The gas production from the wells listed above will be commingled, measured, and sold off lease using the well test method.

Process and Flow Descriptions:

A central tank battery for oil production commingling will be located at the Wyatt Draw 24/25 NF Fed Com #1H in the SE/SW of Section 24, 19S, 25E on Federal Lease #NMMN118696 in Eddy County, New Mexico. The Wyatt Draw 24/25 NF Fed Com #1H, Wyatt Draw 24/25 OG Fed Com #1H, & Wyatt Draw 24/25 IH Fed Com #1H will all share this tank battery.

A DCP common gas sales meter (#724999-00) is located in the NW/SW of Section 24, T19S, R25E, at the Wyatt Draw 24 L #1 Battery. These meters are calibrated on a regular basis per API, NMOCD and BLM specifications.

Please see attached diagram for the current Wyatt Draw 24/25 NF Fed Com #1H tank battery. The flow of produced fluids is shown in detail along with a description of each vessel.

Interest owners have been notified of the proposal.

The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Signed: Kyle Mitchell

Printed Name: Kyle Mitchell

Title: Engineer

Date: 10/7/2014

Economic Justification Work Sheet
Wyatt Draw 24/25 NF Federal Tank Battery

Commingling proposal for lease NMNM118696

Unit #NMNM127663

Well Name	BOPD	Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/MCF
Wyatt Draw 24/25	20	40	\$ 94.64	20	1488	\$6.12
NF Fed Com #1H						

Federal Lease # NMNM128801

Well Name	BOPD	Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/MCF
Wyatt Draw 24/25	20	40	\$ 94.64	25	1488	\$6.12
OG Fed Com #1H						

Federal Lease # NMNM131002

Well Name	BOPD	Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/MCF
Wyatt Draw 24/25	30	40	\$ 94.64	25	1488	\$6.12
IH Fed Com #1H						

Economic Combined Production

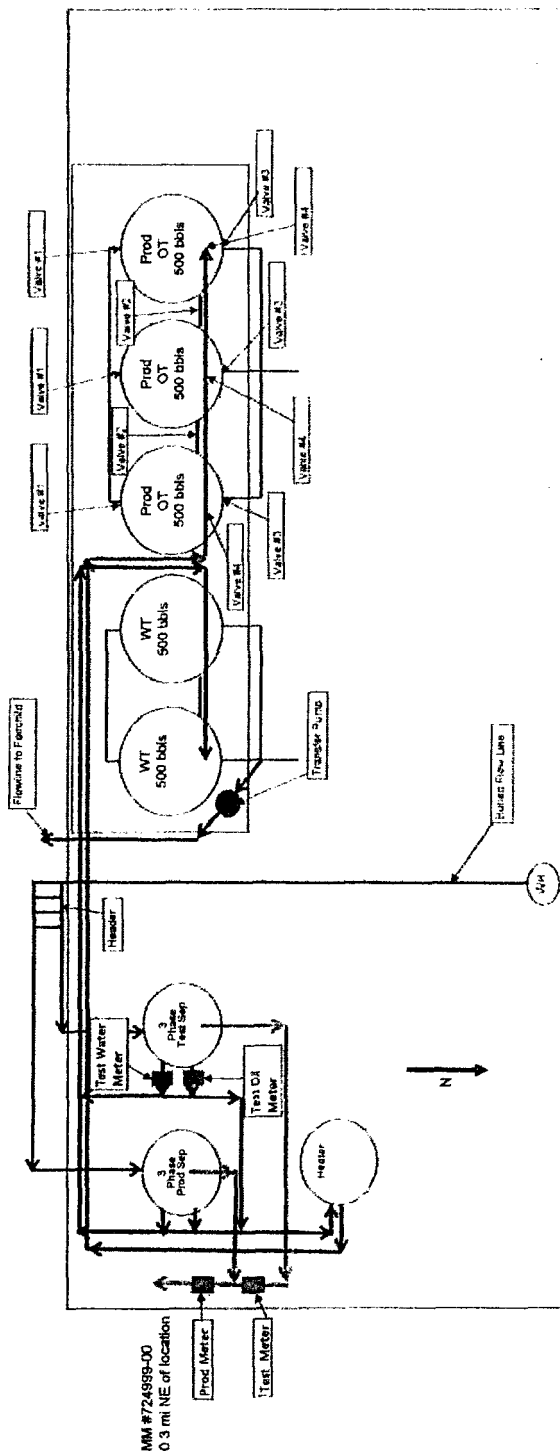
Well Name	BOPD	Oil Gravity	Value/bbl	MCFPD	Dry BTU	Value/MCF
Wyatt Draw 24/25	70	40	\$ 94.64	70	1488	\$6.12
NF Batt						

Signed: 

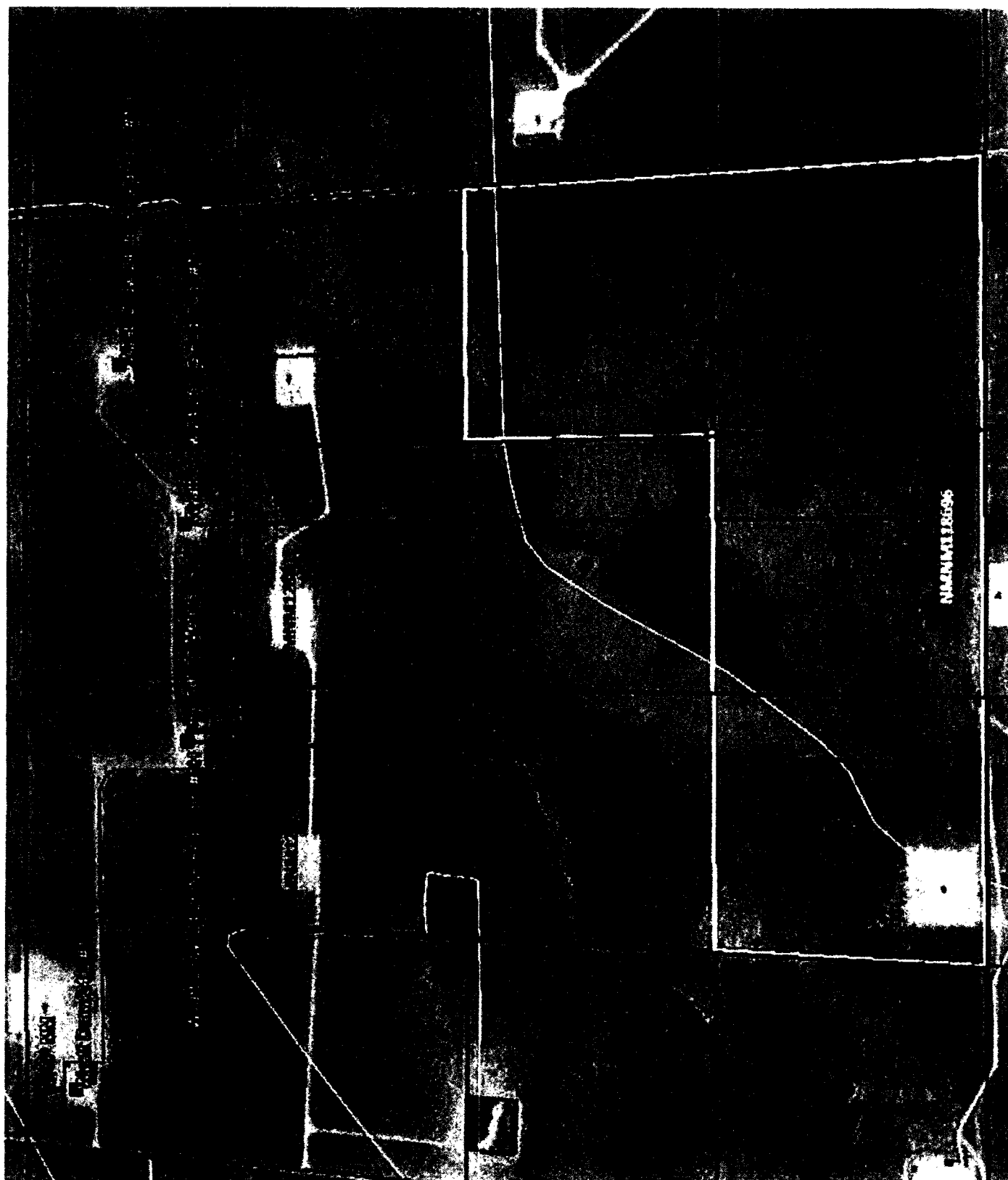
Printed Name: Kyle Mitchell

Title: Engineer

Date: 10/7/2014



Site Facility Diagram	
Location of Site Security Plan	701 S. Cecil Hobbs, NM 88240
Operator	Manitoulin Oil Company
Facility Name & Lease Number	Well Draw 2405 AS #1H Basin
Facility Location	NW 1/4 Sec 21, T2S, R34E
Wells in Facility & API	
Well Draw 2405 AS #1H	80-015-38637
Well Draw 2405 AS #1H	90-015-38821
Well Draw 2405 AS #1H	90-015-40608
Oil sales done tank gauge to tank truck	
Seal Requirements as follows	Sealed Closed
Sales phase	Open
Production phase	1.2.3



**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 10:49 AM

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Run Date: 10/07/2014

01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

160.000

NMNM-- - 118696

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 118696

Name & Address	Int Rel	% Interest
MURCHISON OIL & GAS INC 1100 MIRA VISTA BLVD PLANO TX 750934698	LESSEE	100.000000000

Serial Number: NMNM-- - 118696

Mer Twp Rng Sec	SType	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0250E 025	ALIQ		E2NE,SWNE,SENW	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 118696

Act Date	Code	Action	Action Remark	Pending Office
05/25/2007	337	CASE ESTABLISHED	200707035;	
07/03/2007	299	PROTEST FILED	Forest Guardians et al	
07/18/2007	143	BONUS BID PAYMENT RECD	\$320.00;	
07/18/2007	191	SALE HELD		
07/18/2007	267	BID RECEIVED	\$144000.00;	
07/25/2007	143	BONUS BID PAYMENT RECD	\$143680.00;	
08/30/2007	299	PROTEST DISMISSED		
08/31/2007	237	LEASE ISSUED		
09/31/2007	974	AUTOMATED RECORD VERIF	BTM	
09/01/2007	496	FUND CODE	GS;145003	
05/01/2007	530	RLTY RATE - 12 1/2%		
05/01/2007	866	EFFECTIVE DATE		
09/10/2007	042	CASE SENT TO	ROMERO	
06/25/2011	246	LEASE COMMITTED TO CA	/1/ NM127663;	
07/13/2011	643	PRODUCTION DETERMINATION	/1/ NM127663;	
07/13/2011	650	HELD BY PROD - ACTUAL	/1/	
07/13/2011	658	MEMO OF 1ST PROD-ACTUAL	/1/ NM127663;	
04/05/2012	246	LEASE COMMITTED TO CA	CA NM128901	
01/20/2013	246	LEASE COMMITTED TO CA	CA NM131002	

Serial Number: NMNM-- - 118696

Line Nr	Remarks
02	STIPULATIONS ATTACHED TO LEASE:
03	NM-11-LN SPECIAL CULTURAL RESOURCE
04	SENM-LN-1 CAVE - KARST OCCURRENCE AREA
05	SENM-S-19 PLAYAS AND ALKALI LAKES
06	SENM-S-21 CAVES AND KARST

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 10:59 AM

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Run Date: 07/17/2014

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 410: NATURAL GAS LC

Case Disposition: AUTHORIZED

Total Acres

120.000

Serial Number

NMNM-- - 127663

Name & Address			Serial Number: NMNM-- - 127663		% Interest
			Int Rel		
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD		0.000000000
MEWBOURNE CURTIS W	PO BOX 7698	TYLER TX 757117698	OPERATOR		100.000000000

Serial Number: NMNM-- - 127663						
Mer Twp	Rng	Sec	SType	SNr Suff	Subdivision	District/Field Office
23	0190S	0250E	024	ALIQ	SESW;	CARLSBAD FIELD OFFICE
23	0190S	0250E	025	ALIQ	E2NW;	CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 127663				
Act Date	Code	Action	Action Remark	Pending Office
06/25/2011	367	CASE ESTABLISHED	WYTDROW NF FEDCOM 1H	
06/25/2011	515	FORMATION	YESO	
06/25/2011	525	ACRES-NONFEDERAL	80 ACRES/66.6666	
06/25/2011	527	ACRES-FED INT UNDER 100*	40 ACRES/33.3334	
06/25/2011	868	EFFECTIVE DATE		
07/13/2011	654	AGRMT PRODUCING		
07/13/2011	658	MEMO OF 1ST PROD-ACTUAL		
12/16/2011	334	AGRMT APPROVED		

Serial Number: NMNM-- - 127663				
Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 06/25/2011			
0002	TR#	LEASE SERIAL#	AC COMMITTED	%INTEREST
0003	1	FEE	40.00	33.33
0004	2	FEE	40.00	33.33
0005	3	NM-118696	40.00	33.34
0006	TOTAL		120.00	100.00

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 11:02 AM

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Run Date: 07/17/2014

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 410: NATURAL GAS LC

Case Disposition: AUTHORIZED

Total Acres
120.000

Serial Number
NMNM-- - 128801

Name & Address			Serial Number: NMNM-- - 128801		% Interest
			Int Rel		
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD		0.000000000
MEWBOURNE OIL CO	PO BOX 7698	TYLER TX 757117698	OPERATOR		100.000000000

Serial Number: NMNM-- - 128801								
Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0190S	0250E	024	ALIQ	SWSE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0250E	025	ALIQ	W2NE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 128801				
Act Date	Code	Action	Action Remark	Pending Office
04/05/2012	387	CASE ESTABLISHED	30-015-39821	
04/05/2012	516	FORMATION	YESO	
04/05/2012	525	ACRES-NONFEDERAL	80 ACRES/66.6667	
04/05/2012	526	ACRES-FED INT 100%	40 ACRES/33.3333	
04/05/2012	868	EFFECTIVE DATE		
05/04/2012	654	AGRM1 PRODUCING		
07/12/2012	334	AGRM1 APPROVED		

Serial Number: NMNM-- - 128801				
Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 04/05/2012			
0002	TR#	LEASE SERIAL#	AC COMMITTED	%INTEREST
0003	1	FEE	40.0000	33.3333
0004	2	FEE	40.0000	33.3333
0005	3	NM-118696	40.0000	33.3334
0006	TOTAL		120.0000	100.0000

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 11:03 AM

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Run Date: 07/17/2014

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 410: NATURAL GAS LC

Case Disposition: AUTHORIZED

Total Acres
160.000

Serial Number
NMNM-- - 131002

Name & Address			Serial Number: NMNM-- - 131002		% Interest
			Int Rel		
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD		0.000000000
MEWBOURNE OIL CO	PO BOX 7698	TYLER TX 757117698	OPERATOR		100.000000000

Serial Number: NMNM-- - 131002							
Mer Twp	Rng	Sec	SType	SNr Suff	Subdivision	District/Field Office	County
23	0190S	0250E	024	ALIQ	E2SE;	CARLSBAD FIELD OFFICE	EDDY
23	0190S	0250E	025	ALIQ	E2NE;	CARLSBAD FIELD OFFICE	EDDY
							BUREAU OF LAND MGMT
							BUREAU OF LAND MGMT

Serial Number: NMNM-- - 131002			
Act Date	Code	Action	Pending Office
01/20/2013	387	CASE ESTABLISHED	
01/20/2013	516	FORMATION	YESO
01/20/2013	525	ACRES-NONFEDERAL	80 AC/50%
01/20/2013	868	EFFECTIVE DATE	30-015-40909
02/23/2013	643	PRODUCTION DETERMINATION	
02/23/2013	650	HELD BY FPOD - ACTUAL	
02/23/2013	654	AGFMT PRODUCING	
08/02/2013	658	MEMO OF 1ST PROD-ACTUAL	
08/08/2013	334	AGFMT APPROVED	

Serial Number: NMNM-- - 131002				
Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 01/20/2013			
0002	TR#	LEASE SERIAL#	AC COMMITTED	%INTEREST
0003	1	FEE	80.00	50.00
0004	2	NM118696	80.00	50.00
0005	TOTAL		160.00	100.00

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Condition of Approval

Surface commingling, off lease/off CA storage measurement and sales.

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

Three wells being commingled each well has a portion Federal and a portion Fee, thus they all having existing Com Agreements dividing the interest. All Wells are producing from the Seven River, Glorieta, Yeso Formation within the same section. All Federal leases are 12.5%. As one Com Agreement has a different percent Federal interest the operator provided a method of allocation that satisfies the concerns for royalties which would be via well test method on a 3 day rotation.

JAM 011117