

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

District II  
1000 Rio Brazos Road, Aztec, NM 87410

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

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

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

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Mewbourne Oil Company P. O. Box 7698, Tyler, TX 75711  
Address  
Lease Dinero "20" Federal #3 K - Sec 20, T22S, R28E Eddy  
Well No. Unit Letter-Section-Township-Range County  
OGRID No. 14744 Property Code 33405 API No. 30-015-33432 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Dublin Ranch; Atoka		Dublin Ranch; Morrow
Pool Code	76130		76140
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11,284 - 11,300'		11,900 - 12,266'
Method of Production (Flowing or Artificial Lift)	Flowing	RECEIVED	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)		APR 11 2005 COMMINGLING	
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone		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.)	Date: Estimated rate: Rates: 300 MCFD, 0 BO, 0 BW	Date: Rates:	Date: 3/31/05 Rates: 200 MCFD, 0 BO, 5 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 Gas 50 % 60 %	Oil Gas % %	Oil Gas 50 % 40 %

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  TITLE Reg. Tech. DATE 4/5/05  
TYPE OR PRINT NAME Janet Burns TELEPHONE NO. ( 903 ) 561-2900  
E-MAIL ADDRESS \_\_\_\_\_

**Attachments to C-107A**

Mewbourne Oil Company  
Dinero "20" Federal #3  
Unit Letter K, Sec 20 T22S R28E  
Dublin Ranch; Atoka (Gas) and Dublin Ranch; Morrow (Gas) Pools  
Eddy Co., NM

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

**Production curve is not attached** (new well)

**Estimated production rates and supporting data**

Test Data:

Morrow	3/31/05	200 MCFD, 0 BO, 5 BW: current production
Atoka		300 MCFD, 0 BO, 0 BW: estimated initial production, based on Atoka production in the area

**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 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 interval (upper zone) 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 Atoka 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.

RECEIVED  
APR 11 2005  
OCCASIA

DISTRICT II  
South First, Artesia, NM 88210  
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 30-015-33432	Pool Code 76130	Pool Name Dublin Ranch; Atoka
Property Code 33405	Property Name DINERO "20" FEDERAL	Well Number 3
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3071

**Surface Location**

UL or lot No. K	Section 20	Township 22S	Range 28E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 1650	East/West line WEST	County EDDY
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**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
Dedicated Acres 320	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**

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature Janet Burns Printed Name Reg. Tech. Title 4/5/05 Date
	<b>SURVEYOR CERTIFICATION</b>  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.  6/23/2004 Date Surveyed  Signature Herchel Jones Professional Surveyor 3640 Certificate No. Herchel Jones RLS 3640 GENERAL SURVEYING COMPANY

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

## STATE OF NEW MEXICO

Energy, Minerals and Natural Resources Department

Revised March 17, 1999

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

Dr., Hobbs, NM 88240

## DISTRICT II

South First, Artesia, NM 88210

## 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 30-015-33432	Pool Code 76140	Pool Name Dublin Ranch Morrow
Property Code 33405	Property Name DINERO "20" FEDERAL	Well Number 3
OGRIID No. 14744	Operator Name MEWBORNE OIL COMPANY	Elevation 3071

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	20	22S	28E		1650	SOUTH	1650	WEST	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

Dedicated Acres 320	Joint or Infill	Consolidation Code	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>N.32°22'31.5" W.104°06'45.9" N.500316.2 E.568250.0 (NAD-27)</p>	<p>RECEIVED APR 11 2005</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature Janet Burns Printed Name Reg. Tech. Title 4/5/05 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></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>6/23/2004 Date Surveyed</p> <p></p> <p>Certification No. H-000000 Jones RLS 3640 GENERAL SURVEYING COMPANY</p>		

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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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 \_\_\_\_\_

#### [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.

Bryan Montgomery  
Print or Type Name

Signature

Manager, Evaluation  
& Reservoir Engineering  
Title

Date

4-5-05

e-mail Address

RECEIVED  
APR 11 2005  
COLUMBIA

**MEWBOURNE OIL COMPANY**

**P.O. BOX 7698  
TYLER, TEXAS 75711  
903 - 561-2900  
FAX 903 - 561-1870**

April 5, 2005

UPS NEXT DAY AIR #N455 814 559 2

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

**RECEIVED**

**APR 11 2005**

**OOD-ARTESIA**

RE: Form C-107A  
Dinero "20" Federal #3  
Sec 20 T22S R28E  
Dublin Ranch; Atoka (Gas) and Dublin Ranch; Morrow (Gas) Pools  
Eddy Co., NM

Dear Mr. Jones:

Please find enclosed the following for the application to downhole commingle production from the Atoka and Morrow zones in the referenced well:

Form C-107A  
Attachments information  
Form C-102 for both zones  
Administrative Application Checklist

A copy of Form C-107A is being mailed today to the Bureau of Land Management in Roswell. If you need further information, please call me at (903) 561-2900.

Yours truly,



Janet Burns  
Reg. Tech.

cc: ~~MMOCD - Artesia~~  
Bureau of Land Management  
Hobbs  
Midland  
Allen Brinson  
Wayne Jones