

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.*

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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 recomplete 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 recompletion 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 127301  
 Wyatt Draw 24/25 IH Fed Com #1H Sec 24, NESE, T19S, R25E 3001540909 - NM 131002

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
**FEB 06 2017**

See attached detailed commingling information, diagram, and map.

**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 \_\_\_\_\_

Office BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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.

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 Commingling, Off Lease Measurement, Sales, & Storage from the following wells for oil and gas:

#### Federal Lease #NMNM127663

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 #NMNM128801

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 #NMNM131002

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 #NMNM118696 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: 

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						

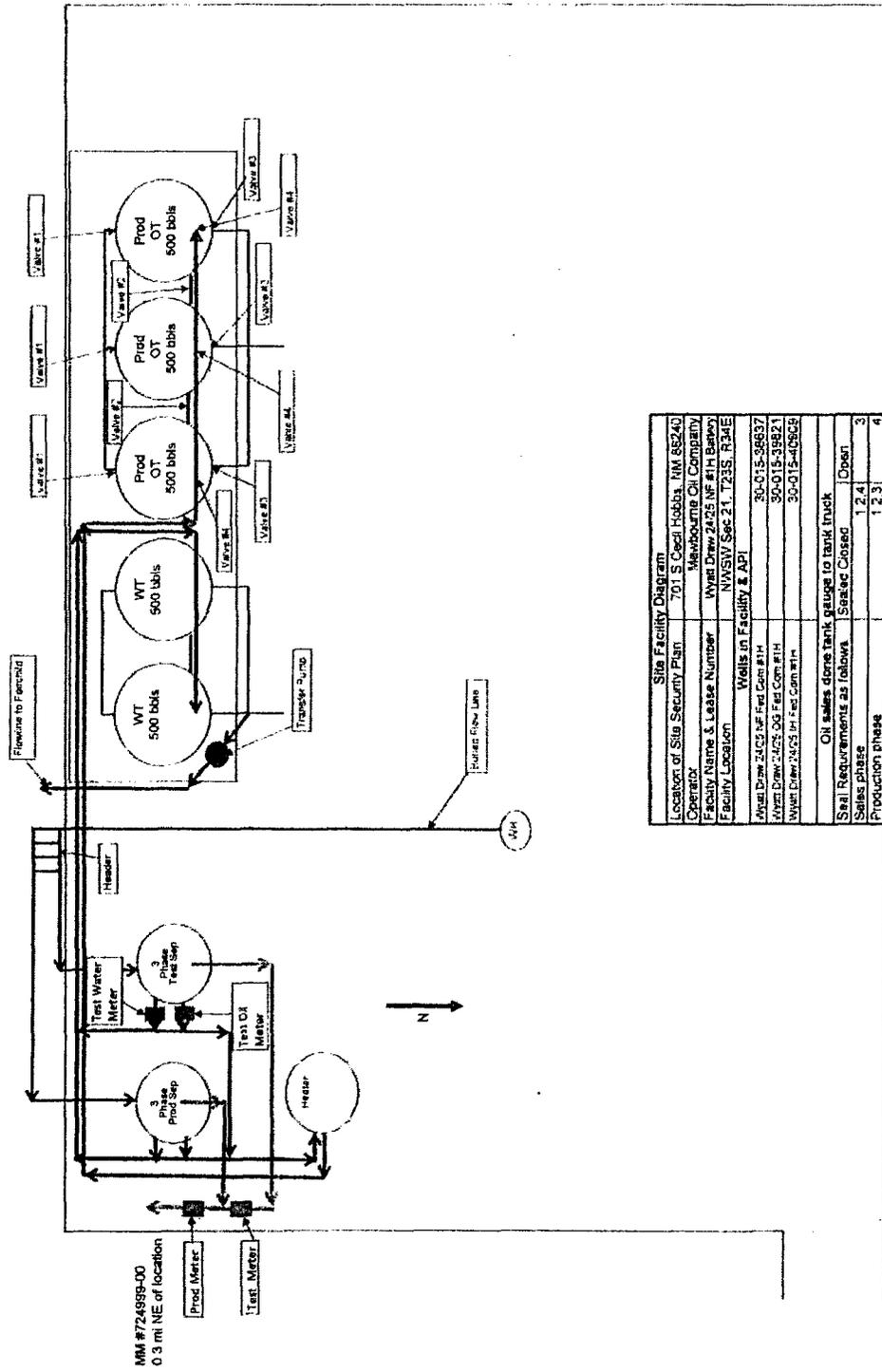
Signed: \_\_\_\_\_



Printed Name: Kyle Mitchell

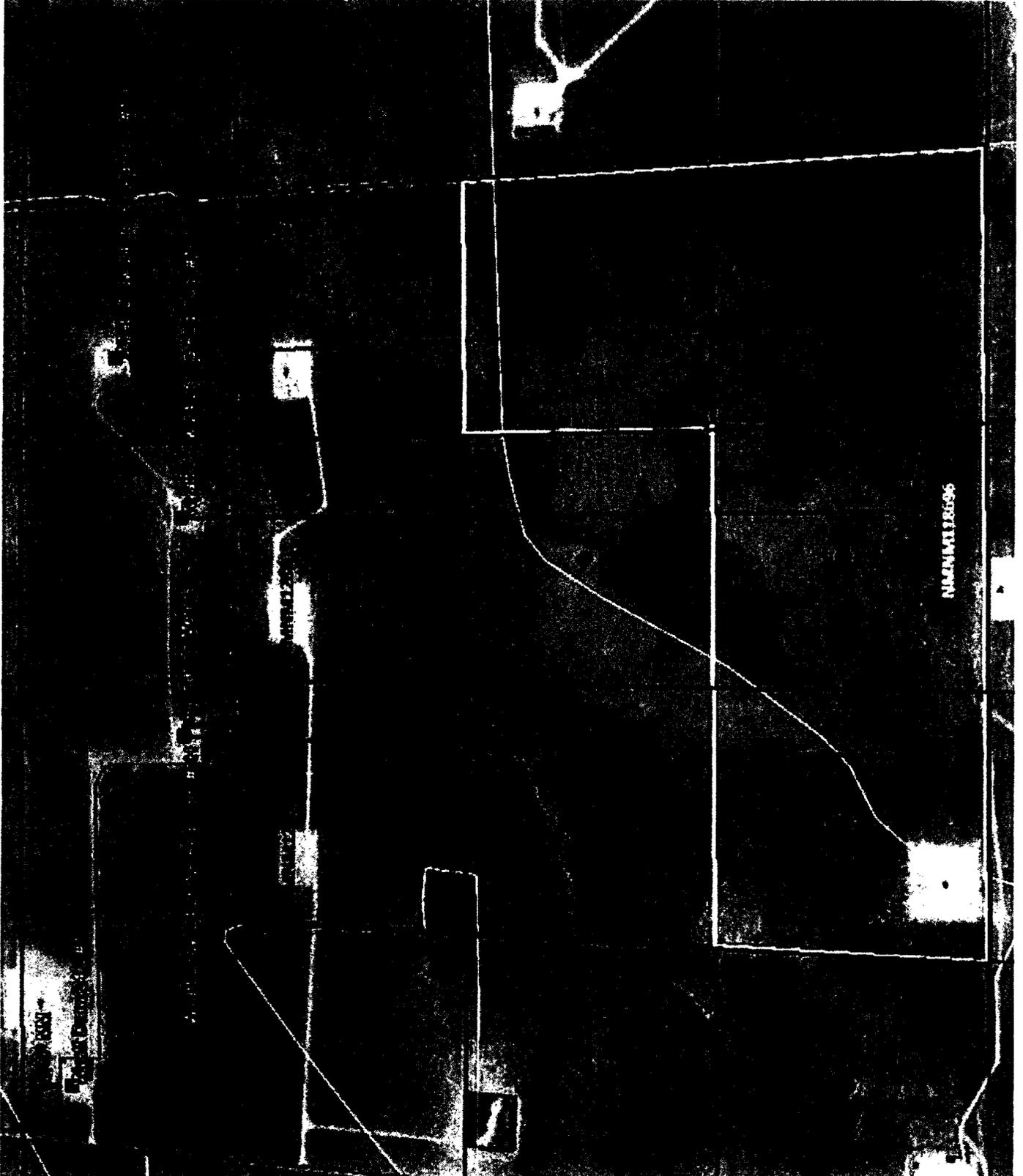
Title: Engineer

Date: 10/7/2014



**Site Facility Diagram**

Location of Site Security Plan	701 S. Cecil Hobbs, NM 88240
Operator	Manhattan Oil Company
Facility Name & Lease Number	Well Draw 2405 AS #14 Basin 2
Facility Location	NMSU Sec 21, T2S, R34E
Wells in Facility & API	
Well Draw 2405 OF Field Com #14	30-015-38637
Well Draw 2405 OG Field Com #14	30-015-38821
Well Draw 2405 IH Field Com #14	30-015-40608
Oil sales done tank gauge to tank truck	
Seal Requirements as follows	Sealer Closed
Sales phase	1, 2, 4
Production phase	1, 2, 3
	4



0601111006

0601111006

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

Run Time: 10:49 AM

Page 1 of 1

Run Date: 10/07/2014

**01 12-22-1987;101STAT1330;30USC181 ET SE** **Total Acres** 160.000 **Serial Number** NMNM-- - 118696  
**Case Type 312021: O&G LSE COMP PD -1987**  
**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	100.00000000

**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	200707638;	
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	298	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	RPTY 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

Page 1 of 1

Run Date: 07/17/2014

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

120.000

NMNM-- - 127663

Commodity 410: NATURAL GAS LC

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 127663

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

Serial Number: NMNM-- - 127663

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0190S	0250E	024	ALIQ	SESW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0190S	0250E	025	ALIQ	E2NW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 127663

Act Date	Code	Action	Action Remark	Pending Office
06/25/2011	367	CASE ESTABLISHED	WYTDROW NR FEDCOM 1H	
06/25/2011	516	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

Page 1 of 1

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

Serial Number: NMNM-- - 128801

Name & Address			Int Rel	% Interest
BLM CARLSBAD FO MEWBOURNE OIL CO	620 E GREENE ST PO BOX 7698	CARLSBAD NM 88220 TYLER TX 757117698	OFFICE OF RECORD OPERATOR	0.00000000 100.00000000

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	60 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	AGRM PRODUCING		
07/12/2012	334	AGRM 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

Page 1 of 1

Run Date: 07/17/2014

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 131002

Commodity 410: NATURAL GAS LC

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 131002

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

Serial Number: NMNM-- - 131002

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

Serial Number: NMNM-- - 131002

Act Date	Code	Action	Action Remark	Pending Office
01/20/2013	387	CASE ESTABLISHED		
01/20/2013	516	FORMATION	YES0	
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 PPOD - ACTUAL		
02/23/2013	654	AGPMT PRODUCING		
08/02/2013	658	MEMO OF 1ST PROD-ACTUAL		
08/06/2013	334	AGPMT 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**