

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
OCD ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM114971
2. Name of Operator MEWBOURNE OIL COMPANY		6. If Indian, Allottee or Tribe Name
Contact: JACKIE LATHAN E-Mail: jlathan@mewbourne.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address P O BOX 5270 HOBBS, NM 88241	3b. Phone No. (include area code) Ph: 575.393.5905	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool or Exploratory Area Multiple--See Attached
		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<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 recomple 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 is requesting approval to surface commingle gas production on shared well pad
Owl Draw 22 W1AP Fed Com #1H Sec 15, T26S, R27E 30-015-42475
Owl Draw 22/27 B2AP Fed Com #1H Sec 15, T26S, R27E 30-015-41430
See attached detailed commingling information, diagram, and map(s)

Bond on file: NM1693 nationwide & NMB000919

Bond on file: 22015694 nationwide & 022041703 Statewide

NM OIL CONSERVATION
ARTESIA DISTRICTAC 8-3-17
Accepted for record - NMOCD

AUG 03 2017

RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #337986 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 04/29/2016 (16PP1049SE)	
Name (Printed/Typed) JOE B BRYAND	Title SENIOR PRODUCTION ENGINEER
Signature (Electronic Submission)	Date 04/29/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J.D.W. Whitlock</i>	Title TLRET	Date 7/28/17
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 CFO

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.

(Instructions on page 2)

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

Additional data for EC transaction #337986 that would not fit on the form

7. If Unit or CA/Agreement, Name and No., continued

NMNM133608
NMNM134271

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM133608	NMNM114971	OWL DRAW 22 W1AP FED COM 130	015-42475-00-S1	Sec 15 T26S R27E SESE 230FSL 660FEL 32.020719 N Lat, 104.101584 W Lon
NMNM134271	NMNM114971	OWL DRAW 22/27 B2AP FED COM 130	015-41430-00-S1	Sec 15 T26S R27E SESE 200FSL 600FEL 32.020689 N Lat, 104.101515 W Lon

10. Field and Pool, continued

WC 015 S262728A

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

April 29, 2016

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

Bureau of Land Management
Attn: Zota Stevens
620 E Green Street
Carlsbad, NM 88220

RE: Surface Gas Commingle of Federal Leases

To: Whom It May Concern

Mewbourne Oil Co. is requesting permission to surface commingle gas production for 2 Federal Lease wells. Information detailing each well is attached. A common Regency gas sales meter (MM #57495) is located in the SESE quarter of Section 15, T26S, R27E, Eddy Co., on Federal Lease #114971. Information detailing each well is attached.

Please find the following enclosed:

Sundry Notice of intent
Cover Letter
Commingle Summary Page
Gas Analysis for both wells
Site Facility Diagram
Detailed Maps: lease boundaries & facility locations
Copy of letter sent certified to all involved parties
List of all involved parties

Signed: 

Printed Name: Joe Bryand
Title: Senior Production Engineer
Date: 4/29/2016

APPLICATION FOR, COMMINGLING & OFF LEASE MEASUREMENT, SALES & STORAGE

Commingling procedure for Owl Draw leases:

Mewbourne Oil Company is requesting approval for Commingling & Off Lease Measurement, Sales, & Storage from the following wells gas:

Federal Lease NMNM114971 & 200 acres of Fee Land (CA NMNM133608)

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Owl Draw 22 W1AP Fed Com #1H	230' FSL & 660'FEL, Sec 15, T26S, R27E	30-015-42475	WC-015 S262714M; Wolfcamp (Gas) (98140)	500	1328.3

Federal Lease #NMNM114971 & 160 Acres of Fee Land (CA NMNM134271)

Well Name	Location	API #	Pool #	MCFPD	Dry BTU @ 14.73 PSI
Owl Draw 22/27 B2AP Fed Com #1H	200' FSL & 600'FEL, Sec 15, T26S, R27E	30-015-41430	Hay Hollow; Bone Spring (30215)	1500	1329.9

Gas metering:

Gas volumes from each well producing to these batteries will be determined by using an allocation gas meter at the facility for each well. 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:

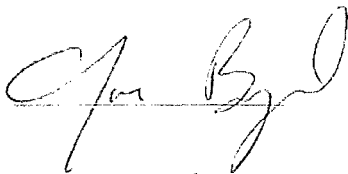
A Regency common gas sales meter (MM #57495) is located on NW corner of the well pad (SESE of Section 15, T26S, R27E.) This meter is calibrated on a regular basis per API, NMOCD and BLM specifications.

Please see attached diagram for the current Owl Draw 22 W1AP Fed Com #1H & Owl Draw 22/27 B2AP Fed Com #1H Batteries. The flow of produced fluids is shown in detail along with a description of each vessel.

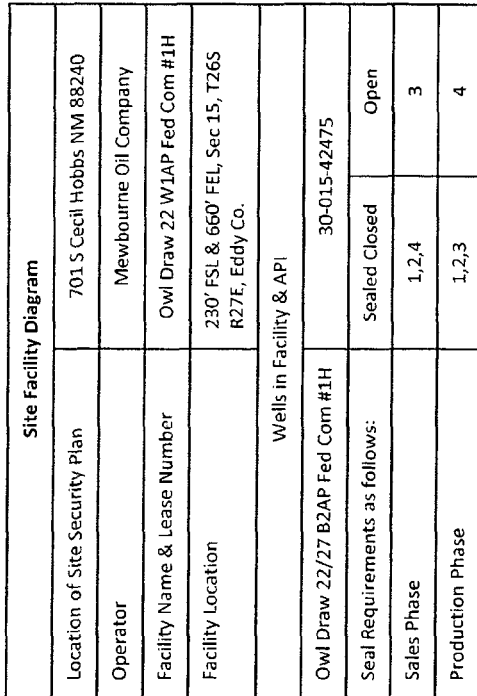
Interest owners have been notified of the proposal.

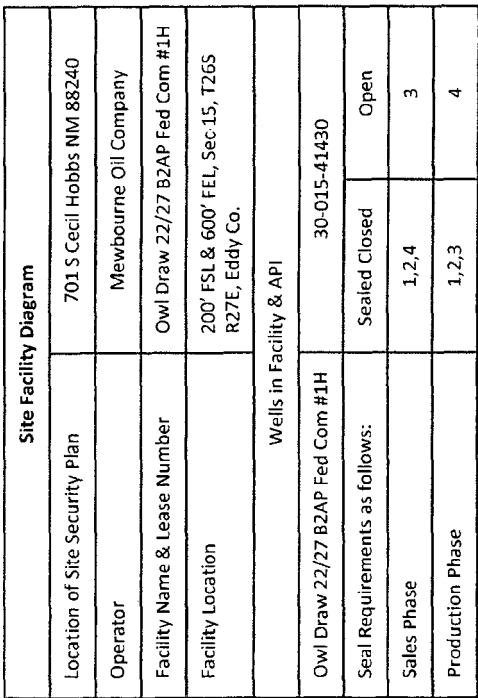
The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production.

Signed:



Printed Name: Joe Bryand
Title: Senior Production Engineer
Date: 4/29/2016





Economic Justification Work Sheet
Owl Draw W1AP Fed Com #1H & Owl Draw 22/27 B2AP Fed Com #1H

Commingle proposal for lease: NMNM114971 which includes CA134271 & NMNM133608

Federal Lease #NMNM114971 & 200 Acres of Fee Land (CA NMNM133608) Royalty Rate 12.5%

Well Name	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Owl Draw 22 W1AP Fed Com #1H	500	1328.3	1.66

Federal Lease #NMNM114971 & 160 Acres of Fee Land (CA NMNM134271) Royalty Rate 12.5%

Well Name	MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
Owl Draw 22/27 B2AP Fed Com #1H	1500	1329.9	1.66

Economic Combined Production

Federal Lease #NMNM114971 & 200 Acres of Fee Land (CA NMNM133608) Royalty Rate 12.5%

Federal Lease #NMNM114971 & 160 Acres of Fee Land (CA NMNM134271) Royalty Rate 12.5%

MCFPD	Dry BTU @ 14.73 PSI	Value/MCF
2000	1329.5	1.66

Signed:



Printed Name: Joe Bryant
Title: Senior Production Engineer
Date: 4/29/2016



LABORATORIES

www.permianls.com

575.397.3713 2609 W Marland Hobbs NM 88240

For: Mewbourne Oil Company
Attention: Cody Walker
P. O. Box 5270
Hobbs, New Mexico 88241

Sample: Sta. # 62179-000
Identification: Owl Draw 22 W1AP #1H
Company: Mewbourne
Lease:
Plant:

Sample Data: Date Sampled 11/5/2014 9:00 AM
Analysis Date 11/13/2014
Pressure-PSIA 172
Sample Temp F 95
Atmos Temp F 65

Sampled by: Cody Walker
Analysis by: Vicki McDaniel

H2S =

Component Analysis

		Mol Percent	GPM
Hydrogen Sulfide	H2S		
Nitrogen	N2	0.842	
Carbon Dioxide	CO2	0.066	
Methane	C1	75.141	
Ethane	C2	12.842	3.426
Propane	C3	6.596	1.813
I-Butane	IC4	0.853	0.278
N-Butane	NC4	1.976	0.621
I-Pentane	IC5	0.437	0.159
N-Pentane	NC5	0.532	0.192
Hexanes Plus	C6+	<u>0.715</u>	<u>0.309</u>
		100.000	6.799

REAL BTU/CU.FT

At 14.65 DRY 1321.1
At 14.65 WET 1298.0
At 14.696 DRY 1325.2
At 14.696 WET 1302.7
At 14.73 DRY 1328.3
At 14.73 Wet 1305.3

Specific Gravity

Calculated 0.7630

Molecular Weight 22.0991

Z Factor (DRY) 0.9959

Z Factor (WET) 0.9955



LABORATORY

www.permianls.com

575.397.3713 2809 W Marland Hobbs NM 88240

For:	Mewbourne Oil Company	Sample:	Sta. # 52972-000
	Attention: Cody Walker	Identification:	Owl Draw 22/27 B2AP #1H
	P. O. Box 5270	Company:	Mewbourne
	Hobbs, New Mexico 88241	Lease:	
		Plant:	

Sample Data:	Date Sampled	11/5/2014	9:00 AM	
	Analysis Date	11/13/2014		
	Pressure-PSIA	178	Sampled by:	Cody Walker
	Sample Temp F	86	Analysis by:	Vicki McDaniel
	Atmos Temp F	55		

H2S =

Component Analysis

		Mol Percent	GPM
Hydrogen Sulfide	H2S		
Nitrogen	N2	1.286	
Carbon Dioxide	CO2	0.091	
Methane	C1	74.878	
Ethane	C2	12.672	3.380
Propane	C3	6.416	1.763
I-Butane	IC4	0.760	0.246
N-Butane	NC4	1.886	0.593
I-Pentane	IC5	0.389	0.142
N-Pentane	NC5	0.500	0.181
Hexanes Plus	C6+	1.122	0.486
		100.000	6.793

REAL BTU/CU.FT

At 14.65 DRY	1322.7
At 14.65 WET	1299.6
At 14.696 DRY	1326.8
At 14.696 WET	1304.2
At 14.73 DRY	1329.9
At 14.73 Wet	1306.9

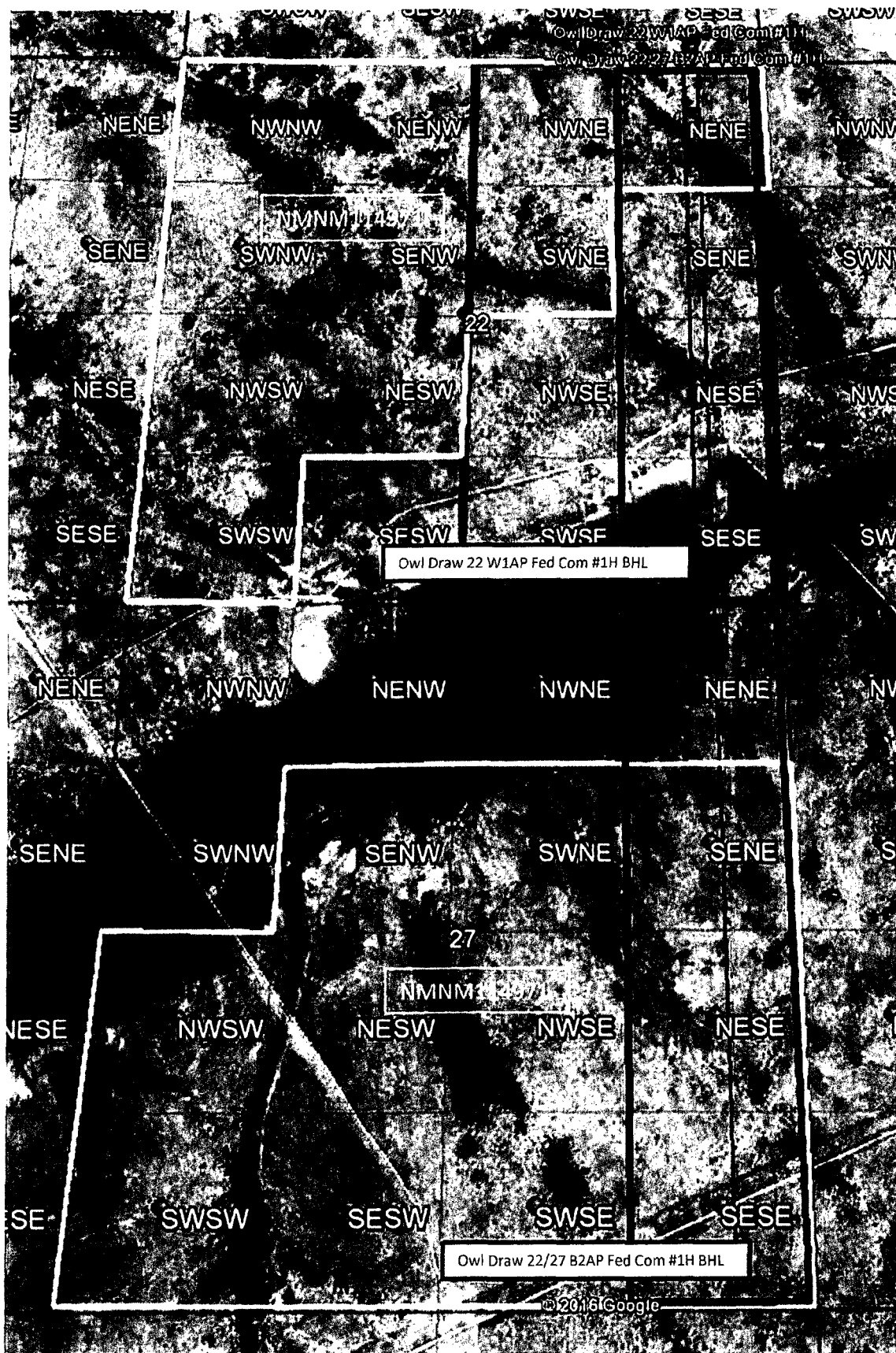
Specific Gravity

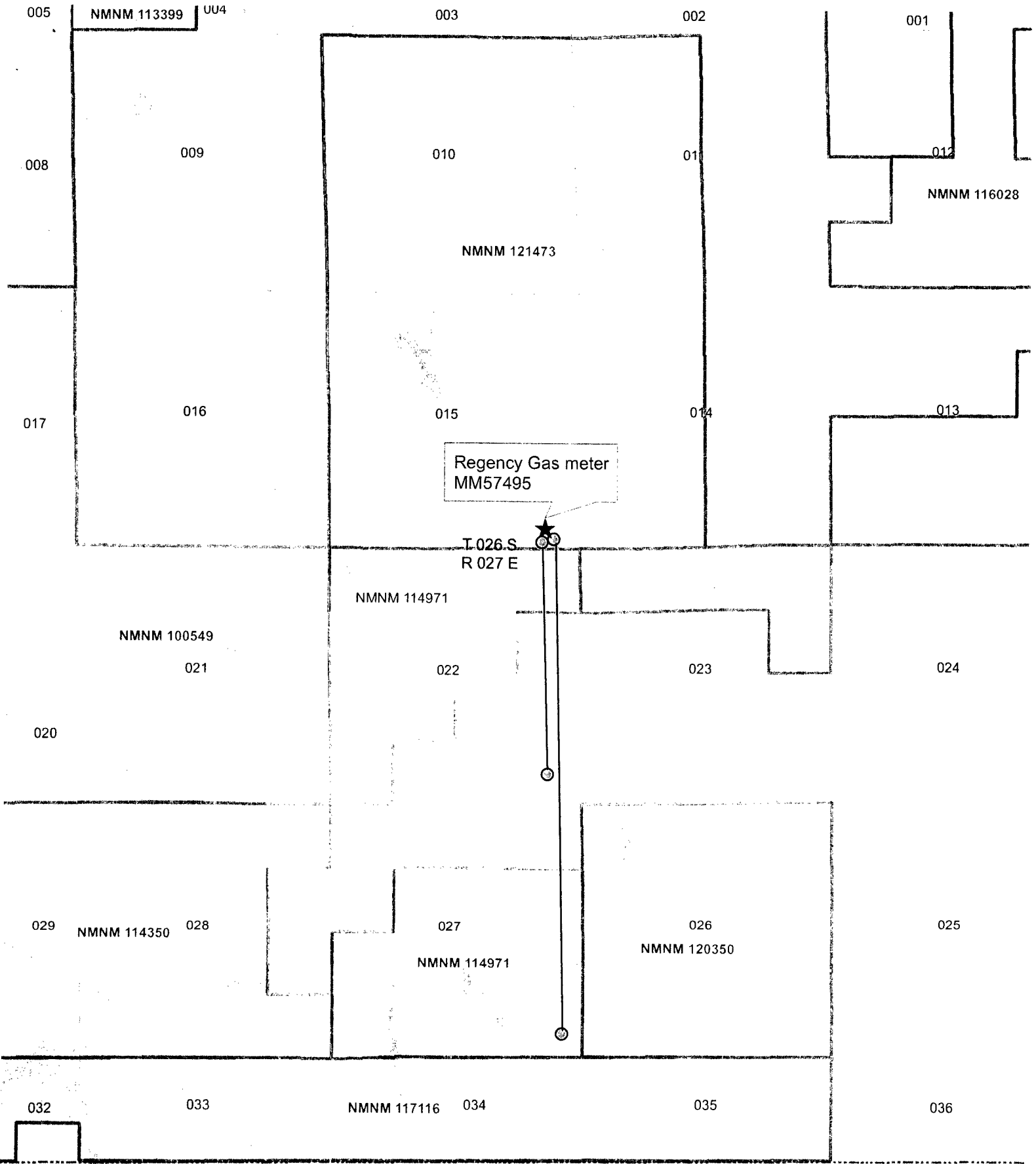
Calculated 0.7692

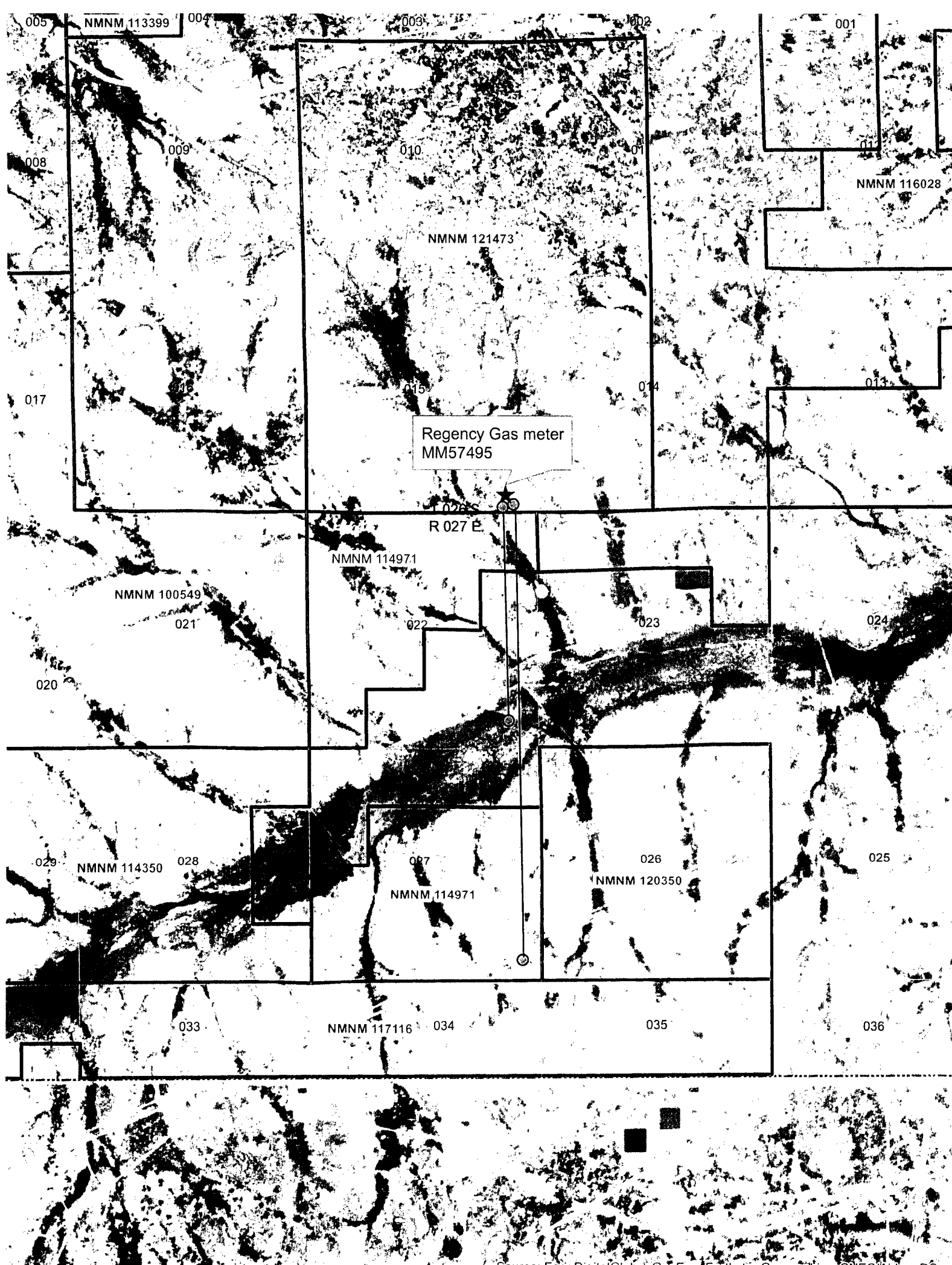
Molecular Weight 22.2770

Z Factor (DRY) 0.9959

Z Factor (WET) 0.9955







DISTRICT I
1886 N. French Dr., Hobbs, NM 58240
Phone (505) 586-5151 Fax: (505) 586-0790

DISTRICT II
511 S. First St., Artesia, NM 88210
Phone: (505) 748-1000 Fax: (505) 743-0700

DISTRICT III
1000 Rio Huerfano Rd., Aztec, NM 87410
Phone: (505) 824-6170 Fax: (505) 824-6170

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87506
Phone: (505) 676-3440 Fax: (505) 676-3440

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name Wildcat Wolfcamp
Property Code	Property Name OWL DRAW 22 W1AP Fed Com	Well Number 1H
ORD No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3149'

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	15	26 S	27 E		230	SOUTH	660	EAST	EDDY

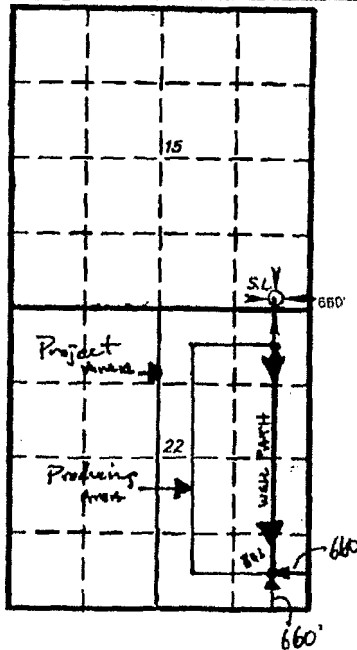
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	26S	27E		660	SOUTH	660	EAST	EDDY

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**

SURFACE LOCATION
Lot - N 32°02'07.19"
Long - W 104°10'15.84"
NMSPC - N 378617.82
E 550281.70
(NAD-27)



OPERATOR CERTIFICATION

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 undivided 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.

Bradley B. Belfrage 3/13/14
Signature Date

BRADLEY B. Belfrage
Printed Name

Email Address

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.

James L. Jones
Date
Signature & Seal of Professional Surveyor
W. No. 15893

Certificate No. Gary L. Jones 7877

Basin Survey 27993

1" = 3000'

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240
Phone (876) 393-8141 Fax: (876) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (876) 746-1899 Fax: (876) 746-0720

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410
Phone (805) 534-6176 Fax: (805) 534-6176

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (805) 476-3480 Fax: (805) 476-8488

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-41430	Pool Code 30215	Pool Name HAY HOLLOW BONE SPRING
Property Code 39940	Property Name OWL DRAW 22/27 BZAP FED COM	Well Number 1H
OGRI No. 14744	Operator Name MEWBOURNE OIL COMPANY	Elevation 3148

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	15	26 S	27 E		200	SOUTH	600	EAST	EDDY

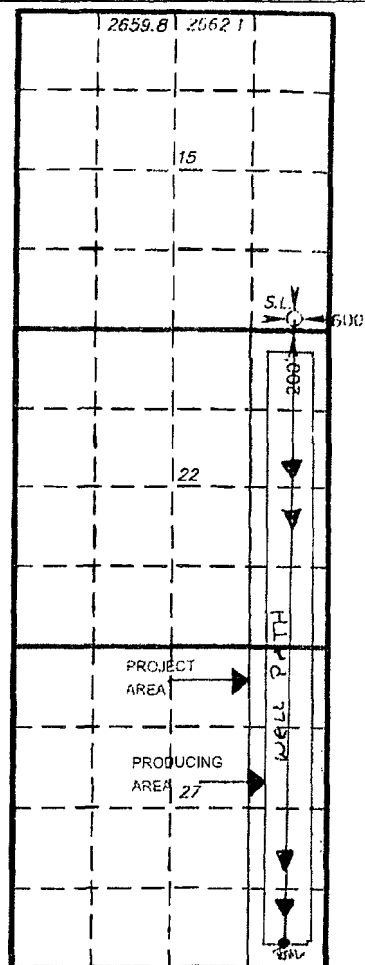
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	26S	27E		330	SOUTH	660	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

SURFACE LOCATION
Lat - N 32°02'06.89"
Long - W 104°10'15.15"
NMSPCE - N 376587.46
E 550541.64
(NAD-27)



OPERATOR CERTIFICATION

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.

Signature: *Bradley Bishop* Date: 3-7-14
Printed Name: BRADLEY BISHOP

Email Address

SURVEYOR CERTIFICATION

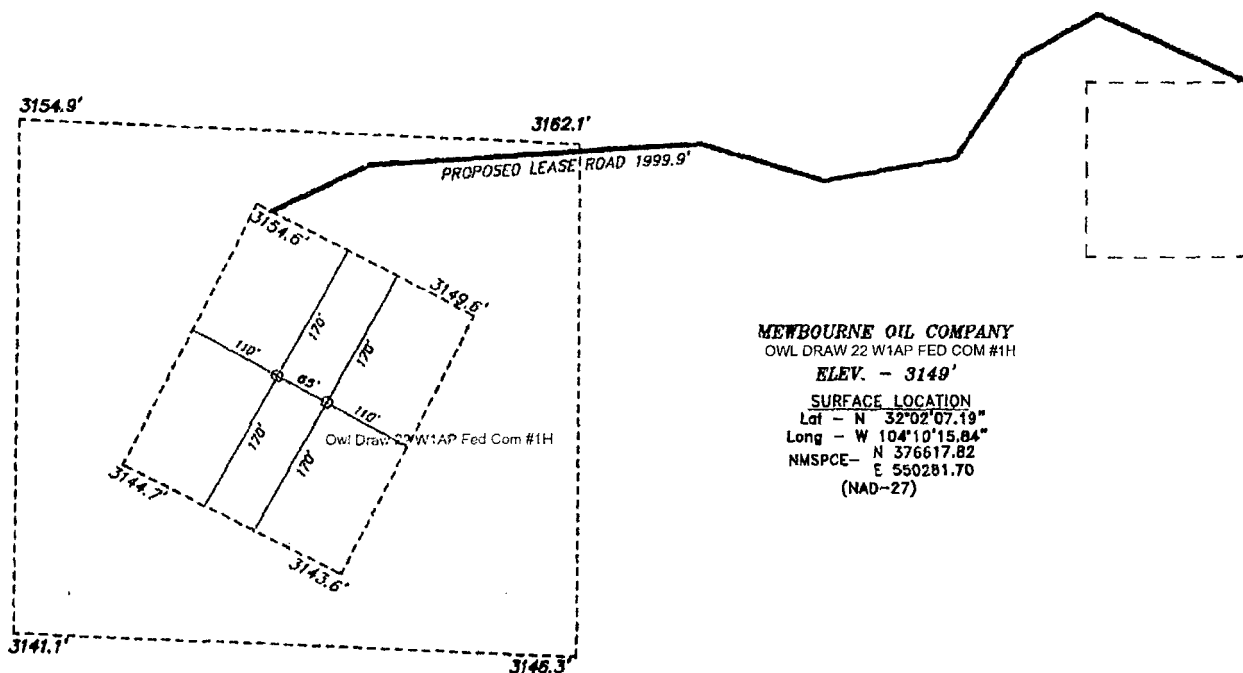
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed: *3-7-14*
Signature & Seal of Professional Surveyor: *Gary L. Jones*
W.S. No. 77993

Certificate No. Gary L. Jones 7977

BASIN SURVEYS 27993

SECTION 15, TOWNSHIP 26 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



MEWBOURNE OIL COMPANY
OWL DRAW 22 W1AP FED COM #1H

ELEV. - 3149'

SURFACE LOCATION

Lat - N 32°02'07.19"
Long - W 104°10'15.84"
NMSPCE - N 376617.82
E 550281.70
(NAD-27)



200 0 200 400 FEET
SCALE: 1" = 200'

DRIVING DIRECTIONS

FROM HIGHWAY 285 AND WHITE CITY ROAD GO WEST ON 6.2 MILES
WILLHOIT ROAD TURN SOUTH GO 2 MILES TO PROPOSED ROAD.

MEWBOURNE OIL COMPANY

REF: Owl Draw 22 W1AP Fed Com #1H / WELL PAD TOPO

THE Owl Draw 22 W1AP Fed Com #1H LOCATED 230'
FROM THE SOUTH LINE AND 660' FROM THE EAST LINE OF
SECTION 15, TOWNSHIP 26 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

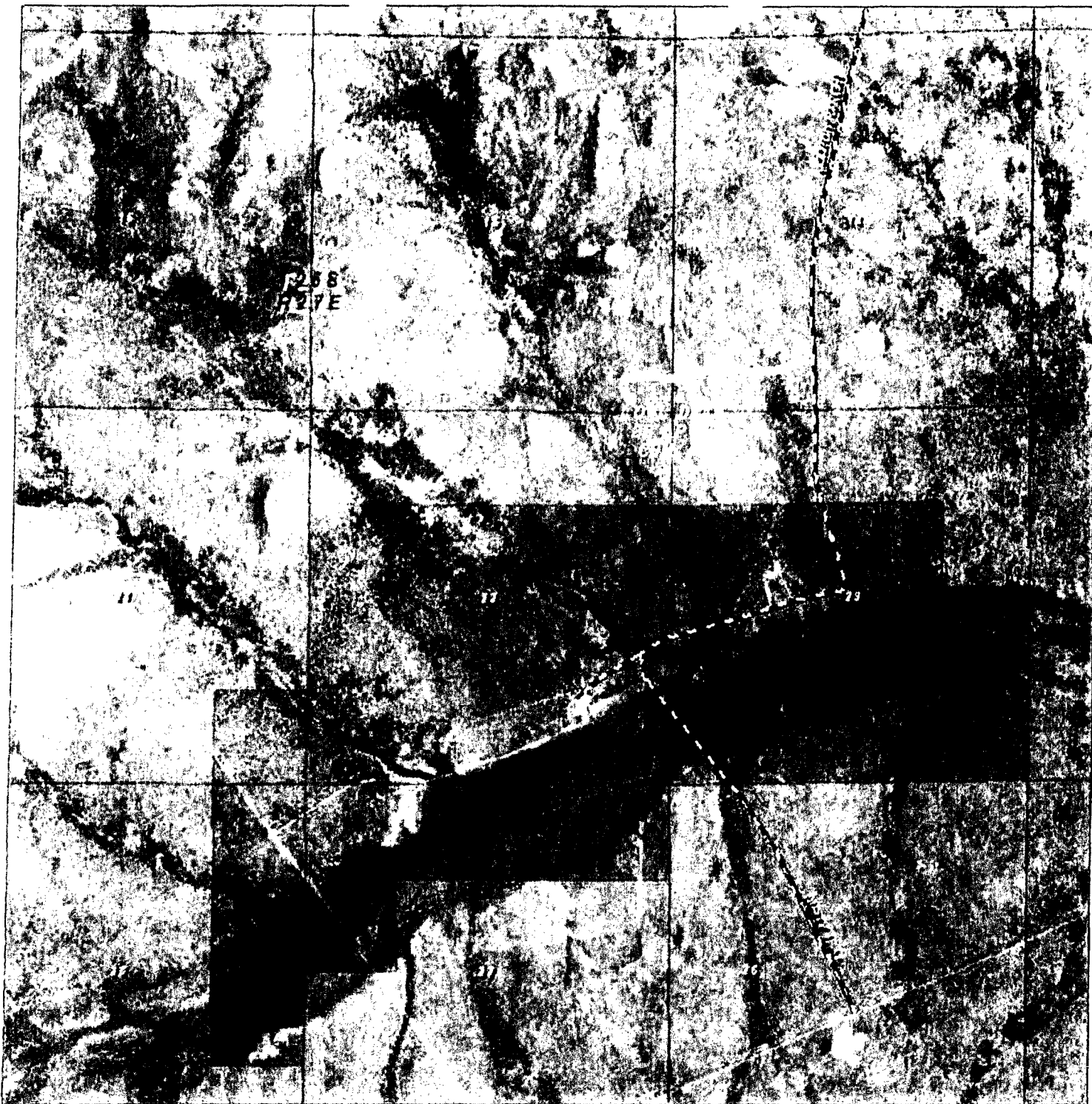
BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 27949 Drawn By: D. JONES

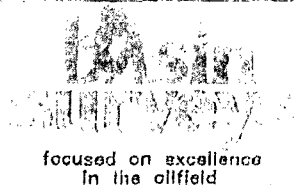
Date: 01-22-2013 Disk: DAJ 27949

Survey Date: 01-17-2013 Sheet 1 of 1 Sheets

Exhibit 3C



OWL DRAW 22 AP FED COM 1H
Located 200' FSL and 600' FEL
Section 15, Township 26 South, Range 27 East,
N.M.P.M., EDDY County, New Mexico.



P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

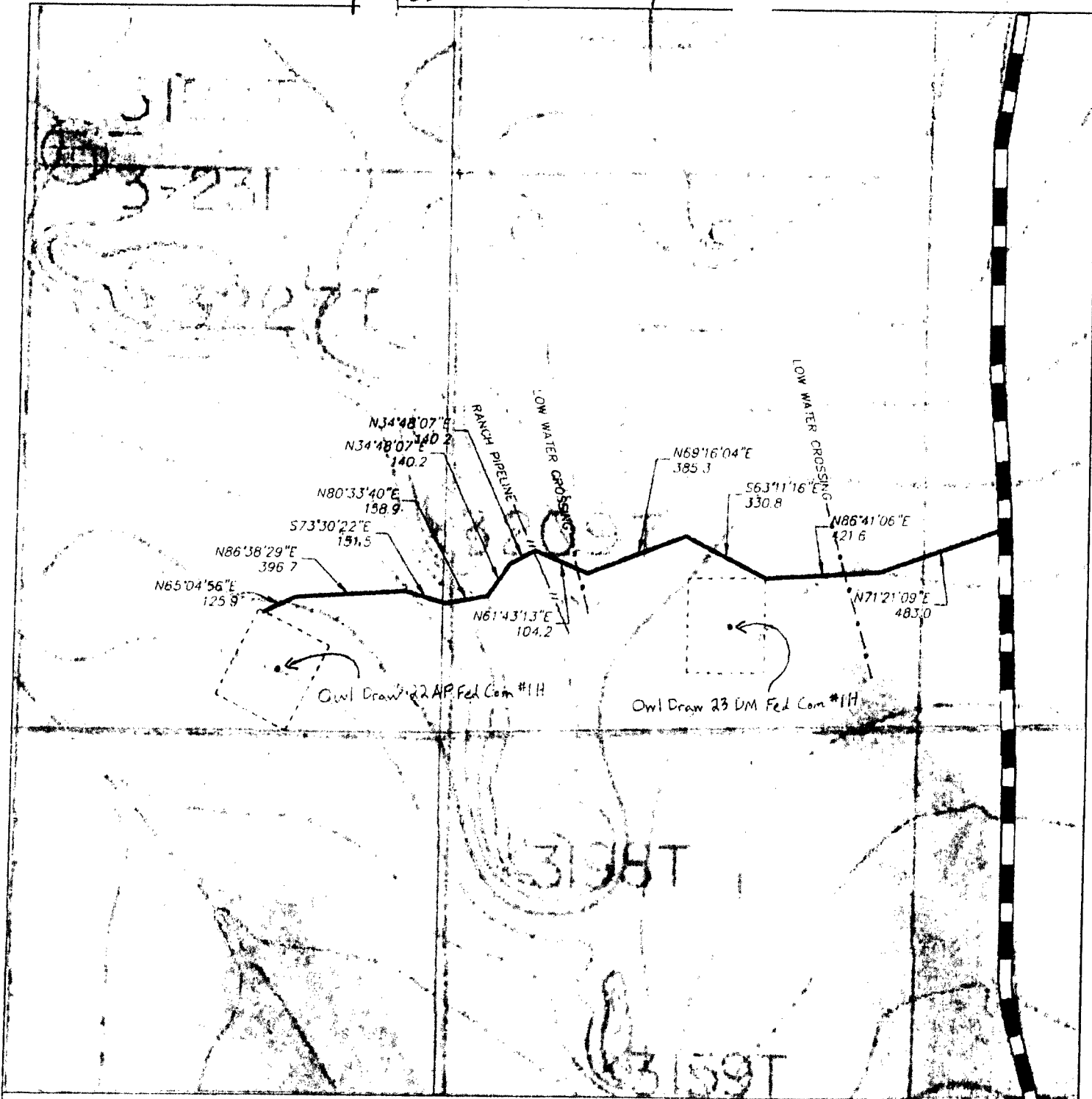
W.O. Number: DAJ 27993

Scale: 1" = 2000'

YELLOW TINT - USA LAND
BLUE TINT - STATE LAND
NATURAL COLOR - FEE LAND

MEWBOURNE
OIL COMPANY

Proposed Access Road



OWL DRAW 22 AP FED COM #1H
 Located 200' FSL and 600' FEL
 Section 15, Township 26 South, Range 27 East,
 N.M.P.M., EDDY County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2208 - Fax
 basinsurveys.com

W.O. Number DAJ 27993

Scale: 1" = 500'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

MEWBOURNE
 OIL COMPANY

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 07/28/17 07:39 AM

Page 1 of 1

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

Total Acres
320.000

Serial Number
NMNM-- - 134271

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 134271

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

Serial Number: NMNM-- - 134271

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0270E	022	ALIQ	E2E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0260S	0270E	027	ALIQ	E2E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134271

Act Date	Code	Action	Action Remarks	Pending Office
03/20/2014	387	CASE ESTABLISHED		
03/20/2014	516	FORMATION	BONE SPRING	
03/20/2014	525	ACRES-NONFEDERAL	160;50%	
03/20/2014	526	ACRES-FED INT 100%	160;50%	
03/20/2014	868	EFFECTIVE DATE	/1/ 3001541430	
10/22/2014	654	AGRMT PRODUCING	/1/	
10/22/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/ MEMO 03/18/2015	
03/18/2015	643	PRODUCTION DETERMINATION	/1/	

Line Nr Remarks Serial Number: NMNM-- - 134271

0001	RECAPITULATION EFFECTIVE 03/20/2014		
0002	TR# LEASE SERIAL # AC COMMITTED PCT INT		
0003	1	NMNM114971	160.00 50.00000
0004	2	FEE	80.00 25.00000
0005	3	FEE	40.00 12.50000
0006	4	FEE	40.00 12.50000
0007	TOTAL		320.00 100.00000

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 07/28/17 07:34 AM

Page 1 of 1

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

320.000

NMNM-- - 133608

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 133608

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

Serial Number: NMNM-- - 133608

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0270E	022	ALIQ	E2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 133608

Act Date	Code	Action	Action Remarks	Pending Office
07/15/2014	387	CASE ESTABLISHED		
07/15/2014	516	FORMATION	WOLFCAMP	
07/15/2014	525	ACRES-NONFEDERAL	200; 62.50% FEE	
07/15/2014	526	ACRES-FED INT 100%	120; 37.50%	
07/15/2014	868	EFFECTIVE DATE	/1/3001542475	
10/29/2014	654	AGRMT PRODUCING	/1/	
10/29/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/ MEMO 11/19/14	
11/19/2014	643	PRODUCTION DETERMINATION	/1/	

Line Nr Remarks Serial Number: NMNM-- - 133608

0001	RECAPITULATION EFFECTIVE 7/15/2014			
0002	TR#	LEASE#	AC COMM	% INT
0003	1	NM114971	120.00	37.5000
0004	2	FEE	200.00	62.5000
0005	TOTAL		320.00	100.0000

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

Run Time: 04:12 PM

Page 1 of 1

Run Date: 04/25/2016

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

Total Acres

Serial Number

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

840.000

NMNM-- - 114971

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 114971

Name & Address			Int Rel	% Interest
ABO PETRO CORP	105 S 4TH ST	ARTESIA NM 88210	LESSEE	22.670000000
MYCO INDUSTRIES INC	105 S 4TH ST	ARTESIA NM 88210	LESSEE	22.670000000
OXY Y-1 COMPANY	PO BOX 27570	HOUSTON TX 772277570	LESSEE	33.340000000
YATES PETRO CORP	105 S 4TH ST	ARTESIA NM 88210	LESSEE	21.320000000

Serial Number: NMNM-- - 114971

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0260S	0270E	022	ALIQ	N2N2,SWNE,S2NW,N2SW,SWSW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0260S	0270E	027	ALIQ	S2NE,SENW,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 114971

Act Date	Code	Action	Action Remark	Pending Office
10/04/2005	299	PROTEST FILED	Forest Guardians	
10/18/2005	387	CASE ESTABLISHED	200510031;	
10/19/2005	191	SALE HELD		
10/19/2005	267	BID RECEIVED	\$252000.00;	
11/18/2005	298	PROTEST DISMISSED		
11/21/2005	237	LEASE ISSUED		
11/21/2005	974	AUTOMATED RECORD VERIF	LBO	
12/01/2005	496	FUND CODE	05;145003	
12/01/2005	530	INTV RATE - 12 1/2%		
12/01/2005	868	EFFECTIVE DATE		
02/21/2006	963	CASE MICROFILMED/SCANNED		
05/12/2011	940	NAME CHANGE RECOGNIZED	YATES DRL CO/OXY Y-1	
03/20/2014	246	LEASE COMMITTED TO CA	/2/ CA NM134271	
06/02/2014	140	ASGN FILED	ABO PETRO/YATES PET;1	
07/15/2014	246	LEASE COMMITTED TO CA	NMNM133608;	
08/05/2014	139	ASGN APPROVED	BFF 07/01/14;	
08/05/2014	974	AUTOMATED RECORD VERIF	JS	
10/22/2014	650	HELD BY PROD - ACTUAL	/2/	
10/22/2014	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM134271;	
10/29/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM133608;	
11/19/2014	643	PRODUCTION DETERMINATION	/1/	
12/23/2014	974	AUTOMATED RECORD VERIF	DME	
03/18/2015	643	PRODUCTION DETERMINATION	/2/	

Serial Number: NMNM-- - 114971

Line Nr	Remarks
0002	STIPULATIONS ATTACHED TO LEASE
0003	NM-11-LN SPECIAL CULTURAL RESOURCE LEASE NOTICE
0004	SENM-S-17 SLOPES OR FRAGILE SOILS
0005	SENM-S-18 STREAMS, RIVERS, AND FLOODPLAINS
0006	08/14/2014 - RENTAL PAID THRU 12/01/13

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
---------	----------	----------	-----------	------	--------

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.

Joe Bryand

Print or Type Name

Signature

Senior Production Engineer 4/29/2016

Title

Date

jrbryand@mewbourne.com
 e-mail Address

District I
1625 N French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: 701 S Cecil, Hobbs, NM 88240

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
WC-015 S262714M; Wolfcamp (Gas) (98140)	1328.3	1329.5		500 MCFD
Hay Hollow; Bone Spring (30215)	1329.9			1500 MCFD

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: _____ TITLE: Senior Production Engineer DATE: 4/29/2016

TYPE OR PRINT NAME: Joe Bryand TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: jrbryand@mewbourne.com

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

May 4, 2016

Via Certified Mail

Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, New Mexico 88220-6292
Attn: Mr. Ed Fernandez

Re: Application for Surface Gas Commingling

Owl Draw 22 W1AP Fed Com #1H	Owl Draw 22/27 B2AP Fed Com #1H
230' FSL & 660' FEL (SL)	200' FSL & 600' FEL (SL) (Section 15)
330' FSL & 660' FEL (BHL)	330' FSL & 600' FEL (BHL) (Section 27)
Section 22, T26S, R27E	Section 22/27, T26S, R27E
Eddy County, New Mexico	Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") has filed an application with the New Mexico Oil Conservation Division ("Division") seeking authorization to surface commingle gas production from the above referenced wells located in Section 22 and Section 27, T26S, R27E, Eddy County, New Mexico. The gas production from these wells will flow to a common Regency Master Meter (MM #57495), located in the SE/4SE/4 of Section 15, T26S, R27E, Eddy County, New Mexico. This commingling application does not include the oil produced for the captioned wells. If you object to this application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

Should you have any questions regarding the above, please email Joe Bryand at jbryand@mewbourne.com or call at (575) 393-5905.

Sincerely,

MEWBOURNE OIL COMPANY



Corey Mitchell
Landman

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

**Owl Draw 22 W1AP Fed Com 1H 3001542475, Owl Draw 22 B2AP Fed Com 1H 3001541430
Leases NMNM114971 & CAs NMNM134271, NMNM133608**

Mewbourne Oil Company

July 28, 2017

**Condition of Approval
Surface Commingling Gas only**

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 or product accountability.
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 Federal Regulations, AGA and API requirements 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 require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter calibration/proving to allow time for an inspector to witness.
11. Submit gas meter numbers and provide updated facility diagram with meters numbers.