	Submit 3 Copies To Appropriate District State of Office	f Neguline Tie 70	Form C-103 May 27, 2004	
	Distruct I Energy, Minera 1625 N. French Dr., Hobbs, NM 88240	stand Nathral Resources	WELL API NO.	
	District II 1301 W. Grand Ave., Artesia, NM 88210 OIL CONS	VAT ON 201 ISION	30-025-37560	
	District III 1220 Sou	th Stategerieldr.	5. Indicate Type of Lease STATE X FEE	
	District IV Santa	Fe, NM <b>B0050</b> 5	6. State Oil & Gas Lease No.	
	1220 S St. Francis Dr , Santa Fe, NM 87505		VB756	
	SUNDRY NOTICES AND REPORTS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DE DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FO	ON SELLS TO A	7. Lease Name or Unit Agreement Name	
	DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FO	RM C-101) FOR SUCH	Osudo South 20 State Com 8. Well Number	
	PROPOSALS.) 1. Type of Well: Oil Well Gas Well X Other	•	#1	
-	2. Name of Operator		9. OGRID Number	
ł	Mewbourne Oil Company	<u> </u>	14744     10. Pool name or Wildcat	
	3. Address of Operator PO Box 5270 Hobbs, NM 88240		Osudo Strawn South (97396) and	
			Osudo Morrow (82120)	
	4. Well Location			
	Unit Letter <u>C</u> : <u>660</u> feet from the <u>C</u>			
	Section 20 Township 11. Elevation (Show		NMPM Lea County	
	3649' GL			
	Pit or Below-grade Tank Application 🗌 or Closure 🗌			
	Pit typeDepth to GroundwaterDistance from r			
Pit Liner Thickness:         mil         Below-Grade Tank: Volume         bbls;         Construction Material           12.         Check Appropriate Box to Indicate Nature of Notice, Report or Other Data				
	PERFORM REMEDIAL WORK D PLUG AND ABANDO	N		
	TEMPORARILY ABANDON	COMMENCE DR	ILLING OPNS. 🗌 P AND A 🗌	
	PULL OR ALTER CASING DULTIPLE COMPL		т јов 📋	
	OTHER:		mingle Strawn & Morrow	
-	13. Describe proposed or completed operations. (Clear	ly state all pertinent details, an	d give pertinent dates, including estimated date	
	of starting any proposed work). SEE RULE 1103. or recompletion.	For Multiple Completions: A	ttach wellbore diagram of proposed completion	
		,		
	Mewbourne Oil Company was producing Strawn perfs @ $11005'$ to On 06/06/07, cleaned out isolation sand plug at 12080'. RJH with t			
	Aorrow.	long to 12105. On 00/14/07,1 W	OE comminging Osudo Strawn South and Osudo	
ī	hereby certify that the information above is true and comp	ate to the best of my knowlade	and holiof. I find a set of the time to be here	
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below- grade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan [].				
S	SIGNATURE ASSISTE Men	_TITLE_Hobbs Regulatory	DATE06/20/07	
	Cype or print name Kristi Green	E-mail address:	Telephone No. 505-393-5905	
1	For State Use Only	OC DISTRICT SUPERVISO	RIGENERAL MANAGER	
F	PPROVED BY: Mus William	TITLE	DATE	

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Conditions of Approval (if any):



## Attachments to C-107A

## Mewbourne Oil Company Osudo South "20" State Com #1 Unit Letter C, Sec 20 T21S R35E Osudo; Strawn South (Gas) and Osudo; Morrow (Gas) Pools Lea Co., NM

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

Production curve is attached

#### Estimated production rates and supporting data

Test Data:

Morrow	11/6/06	200 MCFD, 1 BO, 1 BW: last recorded production
Strawn	5/6/07	100 MCFD, 3 BO, 1 BW: current production

#### 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 Strawn interval (upper zone) up the annulus (5  $\frac{1}{2}$ " - 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 Strawn 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.



