

District I  
1625 N Franch Drive, Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S St. Francis Dr., Santa Fe, NM 87505

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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-107A  
Revised June 10, 2003

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

APPLICATION FOR DOWNHOLE COMMINGLING

Mewbourne Oil Company  
Operator PO Box 5270, Hobbs, NM 88240  
Address  
Norte 19 Federal Com #1 Unit H - Sec 19, T19S, R33E  
Lease Well No Unit Letter-Section-Township-Range Lea  
County  
OGRID No. 14744 Property Code API No. 30-025-39160 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Undesignated Atoka <sup>Tonto</sup> (GAS)		Gem Morrow Gas
Pool Code	86300		37389 71370
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12788' - 12802'		13226' - 13467'
Method of Production (Flowing or Artificial Lift)	Flowing		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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	New Zone		New Zone
Producing, Shut-In or New Zone	New Zone		New Zone
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.)	Estimated Rates 500 MCF 0 BO, 0 BW	Date: Rates:	Date: Estimated Rates Rates: 500 MCF 10 BO, 0 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 0 % 50 %	Oil Gas % %	Oil Gas 100 % 50 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?  
Yes X No  
Yes No  
Are all produced fluids from all commingled zones compatible with each other?  
Yes X No  
Will commingling decrease the value of production?  
Yes No X  
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 X No  
NMOCD Reference Case No. applicable to this well:

Attachments:

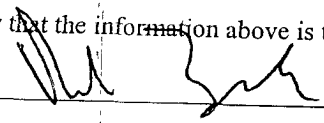
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
Production curve for each zone for at least one year. (If not available, attach explanation.)  
For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method 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 Sr Production Engineer DATE 02/10/09  
TYPE OR PRINT NAME Robin Terrell TELEPHONE NO. (575) 393-5905  
E-MAIL ADDRESS rterrell@mewbourne.com