

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF MEWBOURNE OIL COMPANY
TO COMPULSORY POOL ADDITIONAL INTEREST
OWNERS UNDER ORDER NO. R-23287, EDDY
COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling additional uncommitted mineral interest owners under Division Order No. R-23287. In support of this application, Applicant states:

1. Order No. R-23287 pooled uncommitted mineral interest owners in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, Eddy County, New Mexico (the "Unit").

2. The following well is in the Unit: The Mockingbird 16/17 Fed. Com. Well No. 523H, with a first take point in the SE4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17 (the "Well").

3. Order No. R-23287 appoints Applicant as the operator of the Unit and the Well.

4. Applicant has determined that there are additional uncommitted mineral interest owners in the Unit who were not pooled by Order No. R-23287.

5. Although Applicant has in good faith sought to obtain voluntary joinder of all uncommitted mineral interest owners in the Unit to participate in the drilling of the Well or to otherwise commit their interests to the Well, certain interest owners have failed or refused to commit their interests. Therefore, Applicant seeks an order pooling all uncommitted mineral

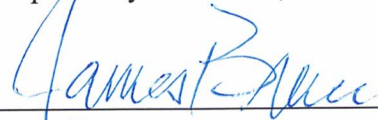
interest owners in the Bone Spring formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

6. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the Unit will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division, and, after notice and hearing, the Division issue its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the Unit under Order No. R-23287;
- B. Considering the cost of drilling, completing, testing, and equipping the Well, and allocating the cost thereof among the Well's working interest owners;
- C. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- D. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Well in the event a working interest owner elects not to participate in the Well.

Respectfully submitted,



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