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

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

## **APPLICATION**

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company, (OGRID No. 14744) ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 400-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 33 and 34 and the S/2 SW/4 of Section 35, Township 21 South, Range 26 East, Eddy County, New Mexico ("Unit"). In support of its application, Mewbourne states the following:

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Buffalo Nickel 33/35 State Com #527H** well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 32 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 35.
  - 3. The completed interval of the Well will be orthodox.
- 4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow Applicant to obtain its just and fair share of the oil and gas

underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant

should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an

Examiner of the Oil Conservation Division on December 4, 2025, and, after notice and hearing as

required by law, the Division enter an order:

A. Pooling all uncommitted interests in the Unit;

B. Approving the Well in the Unit;

C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;

D. Authorizing Applicant to recover its costs of drilling, equipping and completing the

Well;

E. Approving the actual operating charges and costs of supervision while drilling and

after completion, together with a provision adjusting the rates pursuant to the

COPAS accounting procedures; and

F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and

completing the Well against any working interest owner who does not voluntarily

participate in the drilling of the Well.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean Yarithza Peña

i ai illiza i ciia

125 Lincoln Ave, Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410 <u>dhardy@hardymclean.com</u> <u>jmclean@hardymclean.com</u> <u>ypena@hardymclean.com</u>

Counsel for Mewbourne Oil Company