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Oil Conservation Division

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May 27, 2003

Case 13089

Hand Delivered

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Mewbourne Oil Company. Please set this matter for the June 19, 2003 Examiner hearing. Thank you.

The advertisement is also on the enclosed disk.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

PARTIES BEING POOLED

Exxon Mobil Corporation Mobil Producing Texas & New Mexico Inc. P.O. Box 4697 Houston, Texas 77210-4697

Attention: Paul R. Keffer

Matador E&P Company Suite 150, Pecan Creek 8340 Meadow Road Dallas, Texas 75231-3751

Attention: Mark A. Virant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION Oil Conservation Division Division

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

No. 15001	No.	13089
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APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W½ of Section 9, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- Applicant is a working interest owner in the S% of 1. Section 9, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Foster Draw "9" State Com. Well No. 1, at an orthodox gas well location in the SW% of the section, to a depth of approximately 11,800 feet subsurface, and seeks to dedicate the W½ of Section 9 to the well to form a standard 320 acre gas spacing and proration unit for any and all formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Alacran Hills-Wolfcamp Gas Pool, Undesignated Burton Flat-Strawn Gas Pool, Undesignated Burton Flat-Atoka Gas Pool, and Undesignated Burton Flat-Morrow Gas Pool.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W% of Section 9 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners 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 join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the W% of Section 9, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the W% of Section 9 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing,
the Division enter its order:

- A. Pooling all mineral interests in the W% of Section 9 from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting said rates pursuant to the COPAS accounting procedure; and
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

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Attorney for Mewbourne Oil Company