

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

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

**Case No. 16313**

**AMENDED APPLICATION**

Mewbourne Oil Company applies for an order pooling the Wolfcamp formation underlying a 480 acre gas spacing and proration unit comprised of the SE/4 of Section 21 and the E/2 of Section 28, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the SE/4 of Section 21 and the E/2 of Section 28, and has the right to drill a well or wells thereon.
2. Applicant proposes to drill the following wells to test the Wolfcamp formation:
  - (a) The Kansas 21/28 W0IP Fed. Com. Well No. 2H; and
  - (b) The Kansas 21/28 W2IP Fed. Com. Well No. 1H.

The wells are horizontal wells with surface locations in the NE/4SE/4 of Section 21, and last take points in the SE/4SE/4 of Section 28. The producing interval will be orthodox. The well will be dedicated to a unit comprised of the SE/4 of Section 21 and the E/2 of Section 28.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the SE/4 of Section 21 and the E/2 of Section 28 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 Wolfcamp

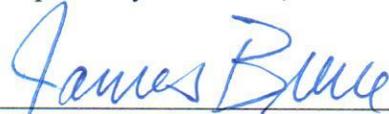
formation in the SE/4 of Section 21 and the E/2 of Section 28, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 21 and the E/2 of Section 28 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. Approving a non-standard spacing and proration unit in the Wolfcamp formation comprised of the SE/4 of Section 21 and the E/2 of Section 28;
- B. Pooling all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 21 and the E/2 of Section 28;
- C. Designating applicant as operator of the well;
- D. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge 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,



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