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Case 15675

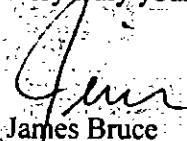
March 14, 2017

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

Dear Florene:

Enclosed for filing, on behalf of Mewbourne Oil Company, are an application for compulsory pooling, together with a proposed advertisement. Please set the application for the April 13, 2017 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

Parties Being Pooled

Crown Oil Partners V, LP
P.O. Box 50820
Midland, TX 79710

Crump Energy Partners II, LLC
P.O. Box 50820
Midland, TX 79710

Nadel and Gussman Delaware, LLC
15 East 5th Street, Suite 3300
Tulsa, OK 74103

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 15675

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APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying the W½ of Section 27, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

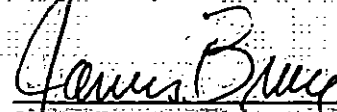
1. Applicant is an interest owner in the W½ of Section 27, and has the right to drill a well thereon.
2. Applicant proposes to drill its Rock Spur W2CN State Com. Well No. 1H to a depth sufficient to test the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool). Applicant seeks to dedicate the W½ of Section 27 to the well to form a standard 320 acre gas spacing and proration unit in the Wolfcamp formation. The well is a horizontal well, with a surface location in the NE/4NW/4, and a terminus in the SE/4SW/4, of Section 27.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W½ of Section 27 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 W½ of Section 27, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the W½ of Section 27 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 Wolfcamp formation underlying the W½ of Section 27;
- 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 the rates pursuant to the COPAS accounting procedure; and
- E. 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,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No. 15675:

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.
Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 27, Township 24 South, Range 28 East, NMPM, to form a 320 acre well unit. The unit is to be dedicated to the Rock Spur State Com. Well No. 1H, a horizontal well with a surface location in the NE/4NW/4, and a terminus in the SE/4SW/4, of Section 27. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 2-1/2 miles south of Malaga, New Mexico.

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