

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

2017 124 75
Case No 15733

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying the E½ of Section 27 Township 23 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 E½ of Section 27 and has the right to drill a well thereon

2 Applicant proposes to drill its Speedwagon 27 W2PA Fee Well No 1H to a depth sufficient to test the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) Applicant seeks to dedicate the E½ 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/4NE/4 of adjoining Section 34 and a first take point 330 feet from the south line and 500 feet from the east line and a terminus 330 feet from the north line and 500 feet from the east line of Section 27

3 Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E½ 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 E½ of Section 27 pursuant to NMSA 1978 §70 2 17

5 The pooling of all mineral interests underlying the E½ 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 E½ 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 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 15733

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 E/2 of Section 27 Township 23 South Range 28 East NMPM The unit will be dedicated to the Speedwagon 27 W2PA Fee Well No 1H a horizontal well with a surface location in the NE/4NE/4 of adjoining Section 34 with the first take point 330 feet from the south line and 500 feet from the east line and a terminus 330 feet from the north line and 500 feet from the east line of Section 27 The well s location is orthodox 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 1 1/2 miles southeast of Loving New Mexico

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