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

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

Case No. 14,377

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE) ss. STATE OF NEW MEXICO)

م الالسمان

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.

2. I am an attorney for Mewbourne Oil Company.

Mewbourne Oil Company has conducted a good faith, diligent effort to find the 3. names and correct addresses of the interest owners entitled to receive notice of the application filed herein.

4 Notice of the application was provided to the interest owner, at its correct address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Exhibit A.

Applicant has complied with the notice provisions of Division Rules NMAC 5. 19.15.4.9 and 19.15.4.12.C.

Joures Brune

SUBSCRIBED AND SWORN TO before me this <u>24th</u> day of September, 2009 by James Bruce.

My Commission Expires: 3/14/13

Notary Public

Oil Conservation Division Case No. _____ Exhibit No. ____

JAMES BRUCE ATTORNEY AT LAW

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(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aoi.com

September 9, 2009

<u>CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u>

Rossrock, LLC 27th Floor 150 East 52nd Street New York, New York 10022

Ladies and gentlemen:

Enclosed are copies of three applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding the NE¹/₄SE¹/₄, SW¹/₄SE¹/₄, and SE¹/₄SE¹/₄ of Section 15, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.

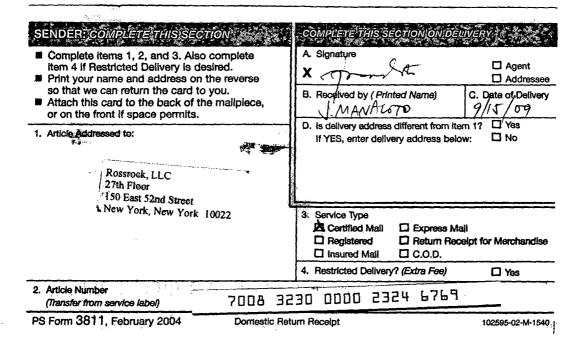
These matters are scheduled for hearing at 8:15 a.m. on Thursday, October 1, 2009, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as the owner of a lien on the mineral interest of Larry Edward Fanning, 1413 West Mermod, Carlsbad, New Mexico 88220, which may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, September 24, 2009. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

ery truly yours

Attorney for Mewbourne Oil Company

EXHIBI



769	U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)				
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3. <u>CASE 14375</u>: (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the NE/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" I Well No. 1, to be drilled at an orthodox location in the NE/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

4. <u>CASE 14376</u>: (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SW/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" O Well No. 1, to be drilled at an orthodox location in the SW/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

5. <u>CASEN43777</u> (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SE/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" P Well No. 1, to be drilled at an orthodox location in the SE/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

6. <u>CASE 14282:</u> (Continued from the September 17, 2009 Examiner Hearing.)

Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the W/2 of Section 8, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Airport 29-13-8 Well No. 113, to be located at an orthodox location in the NW/4 NW/4 of Section 8. 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 1/2 mile West of Farmington, New Mexico.

7. <u>CASE 14343</u>: (Continued from the September 17, 2009 Examiner Hearing.)

Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pennsylvanian and Devonian formations underlying the E/2 NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Pennsylvanian Pool and Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at a location 554 feet from the North and East lines (the NE/4 NE/4) of Section 34. Also to be considered will be the cost of re-entering 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 re-entering and completing the well. The unit is located approximately 8 miles East-Southeast of Tatum, New Mexico.

8. <u>CASE 14290</u>: (Continued from the September 3, 2009 Examiner Hearing.) (This case will be continued to the October 15, 2009 Examiner Hearing.)

Application of Williams Production Company, LLC for approval of an exception to the provisions of Rule 19.15.16, or in the alternative, a special rule for the Rosa Unit, that authorizes the use of the point where the directional wellbore penetrates the top of the producing interval within the pool as the penetration point for the directional wells in the Rosa