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April 23, 1996

11533

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Mewbourne Oil Company in the above-referenced matter. Also enclosed is a legal advertisement for this case. Mewbourne Oil Company requests that this case be set for hearing before a Division Examiner on May 16, 1996.

Your attention to this request is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosure

cc: Mr. Steve Cobb (w/enclosure)

CASE 11533: Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from surface to the base of the Morrow formation underlying the N/2 of Section 4 for all formations developed on 320-acre spacing, the NW/4 of Section 4 for all formations developed on 160-acre spacing, the S/2 NW/4 of Section 4 for all formations developed on 80acre spacing and the SW/4 NW/4 of Section 4 for all formations developed on 40-acre spacing, all in Township 18 South, Range 28 East. Applicant proposes to dedicate this pooled unit to a well to be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of said Section to test any and all formations from the surface to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool. Also to be considered will be the cost of drilling and completing said 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 charge for risk involved in drilling said well. Said area is located approximately 14 miles east-southeast of Artesia, New Mexico.