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OIL CONSERVATION
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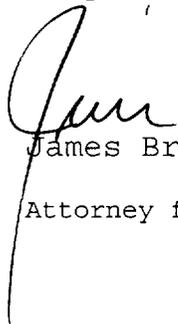
Hand Delivered

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

Dear Florene:

Enclosed is a proposed advertisement regarding Case No. 12928 (Mewbourne Oil Company), which needs to be re-advertised. The advertisement is also on the enclosed disk.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case 12928: (Readvertised) 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 Morrow formation underlying the following described acreage in Section 11, Township 21 South, Range 27 East, NMPM, and in the following manner: The W $\frac{1}{2}$ of Section 11 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated Cedar Hills-Upper Pennsylvanian Gas Pool, Undesignated Burton Flat-Strawn Gas Pool, and Burton Flat-Morrow Gas Pool; the SW $\frac{1}{4}$ of Section 11 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, including but not limited to the East Avalon-Bone Spring Gas Pool; and the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated La Huerta-Delaware Pool and Undesignated East Avalon-Bone Spring Pool. The unit is to be dedicated to applicant's Esperanza "11" St. Com. Well No. 1, to be drilled at an unorthodox oil well location/orthodox gas well location in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11. 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 charge for the risk involved in drilling and completing the well. The unit is located approximately 6 $\frac{1}{2}$ miles northeast of Carlsbad, New Mexico.