

OIL CONSERVATION DIVISION  
HINKLE, COX, EATON, COFFIELD & HENSLEY

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May 11, 1992

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Florene Davidson  
Oil Conservation Division  
State Land Office Building  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Dear Florene:

Enclosed for filing are an original and two copies of an Application for Compulsory Pooling and an Unorthodox Well Location on behalf of Mewbourne Oil Company. Please set this matter for the June 11th docket. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By: James Bruce

JB:le  
Enclosures

104184

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING AND AN UN-  
ORTHODOX GAS WELL LOCATION, EDDY  
COUNTY, NEW MEXICO.

No. 10484

RECEIVED

APPLICATION

MAY 11 1957

Mewbourne Oil Company hereby makes application for  
an order pooling all mineral or leasehold interests from the  
surface to the base of the Morrow formation underlying the  
N $\frac{1}{2}$  of Section 35, Township 17 South, Range 28 East,  
N.M.P.M., Eddy County, New Mexico, and for unorthodox gas  
well location, and in support thereof states:

1. Applicant is an interest owner and has the  
right to drill a well in the N $\frac{1}{2}$  of said Section 35.

2. Applicant proposes to drill its Diamond A  
"35" State No. 1 Well in the N $\frac{1}{2}$  of Section 35, at an  
unorthodox location 915 feet from the North line and 990  
feet from the West line of Section 35, to a depth sufficient  
to test the Morrow formation, and seeks to dedicate the  
following acreage to the well:

(a) The N $\frac{1}{2}$  of Section 35 for all pools or  
formations spaced on 320 acres; and

(b) The NW $\frac{1}{4}$  of Section 35 for all pools or  
formations spaced on 160 acres.

3. Applicant requests approval of the unorthodox  
location for said well.

4. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the N $\frac{1}{2}$  of Section 35 for the purposes set forth herein.

5. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold 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 acreage. Therefore, Applicant seeks an order pooling all mineral and leasehold interest owners underlying the N $\frac{1}{2}$  of Section 35, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

6. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision (including an escalation provision for operating or supervision charges). Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

7. The pooling of all interests underlying the N $\frac{1}{2}$  of Section 35, as described above, and approval of the unorthodox gas well location, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that the Division  
grant the relief requested above.

Dated: May 11, 1992.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By James Bruce  
James Bruce  
500 Marquette, N.W.  
Suite 800  
Albuquerque, New Mexico 87102  
(505) 768-1500

Attorneys for Applicant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING AND AN UN-  
ORTHODOX GAS WELL LOCATION, EDDY  
COUNTY, NEW MEXICO.

No. 10484 RECEIVED

MAY 1 1961

APPLICATION

OIL CONSERVATION DIVISION

Mewbourne Oil Company hereby makes application for an order pooling all mineral or leasehold interests from the surface to the base of the Morrow formation underlying the N $\frac{1}{2}$  of Section 35, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and for unorthodox gas well location, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the N $\frac{1}{2}$  of said Section 35.

2. Applicant proposes to drill its Diamond A "35" State No. 1 Well in the N $\frac{1}{2}$  of Section 35, at an unorthodox location 915 feet from the North line and 990 feet from the West line of Section 35, to a depth sufficient to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The N $\frac{1}{2}$  of Section 35 for all pools or formations spaced on 320 acres; and

(b) The NW $\frac{1}{4}$  of Section 35 for all pools or formations spaced on 160 acres.

3. Applicant requests approval of the unorthodox location for said well.

4. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the N½ of Section 35 for the purposes set forth herein.

5. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold 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 acreage. Therefore, Applicant seeks an order pooling all mineral and leasehold interest owners underlying the N½ of Section 35, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

6. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision (including an escalation provision for operating or supervision charges). Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

7. The pooling of all interests underlying the N½ of Section 35, as described above, and approval of the unorthodox gas well location, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that the Division  
grant the relief requested above.

Dated: May 11, 1992.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

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