BEFORE THE OIL CONSERVATION DIVISION NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

CASE NO. 10485

<u>AFFIDAVIT</u>

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

representative of Mewbourne Oil Company, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted in good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given at the correct addresses provided by such rule.

Ernest L. Padilla

SUBSCRIBED AND SWORN to before me this day of June 1992.

Notary Public

My commission expires:

PADILLA & SNYDER

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ATTORNEYS AT LAW

200 W. MARCY, SUITE 216

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

FACSIMILE: (505) 988-7592 TELEPHONE: (505) 988-7577

May 19, 1992

CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL NON-CONSENTING WORKING INTEREST OWNERS (See

attached list)

RE: Notice of Application For Compulsory Pooling

PURSUANT to the Rules and Regulations of the General Rules of the Oil Conservation Division of New Mexico, notice is hereby given of the above-referenced application. You may protest the enclosed application which will be heard on June 11, 1992, beginning at the hour of 8:15 a.m., at the office of the Oil Conservation Division, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico.

Tery crury yours

France Tradilla

ELP/pmc

Enclosure: Copy of Application

List of Non-Consenting Working Interest Owners

NON-CONSENTING WORKING INTEREST OWNERS

DEKALB Energy Company 1625 Broadway Denver, Colorado 80202 Attention: Mr. John S. Geyer, Landman

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702
Attention: Mr. Leland Howard

Exxon Corporation
Post Office Box 1600
Midland, Texas 79702-1600

MEWBOURNE OIL COMPANY

P.O. BOX 7698 TYLER, TEXAS 75711 903 - 561-2900 FAX 903 - 561-1870 GIL CONSERV ON DIVISION RECEIVED

193 SE 13 AM 9 56

September 9, 1993

State of New Mexico Oil Conservation Division Box 2088 Santa Fe, NM 87504 Attn: Mr. Michael E. Stogner

RE: Turkey Track 15 ST #1 Eddy County, New Mexico

250

Dear Sir:

l am sending an itemized statement of actual well costs as required by Order No. R-9688, Case No. 10485.

Sincerely;

Mark Feldman

Revenue Accountant

MF/eas

COMPANY 001 MEWBOURNE OIL COMPANY

AFE# 142882 PROPERTY 42882-000 TURKEY TRACK 15 ST #1

GRS INCEPTION TO DATE COSTS

			ODHIE	C0215
INT	rang:	IBLE DRILLING COST		
180	300	PERMITS & SURVEYS	21	2.00
180	301	LOC, ROADS, SITE PREP, DAMAGE	S 1,90	11.95
		FOOTAGE OR TURNKEY DRILLING	305, 01	8.95
180	303	DAY WORK DRILLING		
		FUEL, WATER & OTHER		
180	3Ø6	MUD & CHEMICALS		
		CEMENTING	21,77	
180	308	LOGGING AND WIRELINE SERVICES	21,73	8.41
180	310	MUD LOGGING		
180	311	TESTING		
180	320	TRANSPORTATION		
180	321	WELDING & CONSTRUCTION LABOR		
		ENGINEERING CONSULTANTS		1.00
180	330	EQUIPMENT RENTAL LEGAL/TAX WELL INSURANCE INTANGIBLE SUPPLIES COMPANY SUPERVISION OVERHEAD - FIXED RATE CONTINGENCIES		
180	334	LEGAL/TAX	1,73	5.73
180	335	WELL INSURANCE	6,389	9.97
180	350	INTANGIBLE SUPPLIES	137	7.64
180	375	COMPANY SUPERVISION	35, 775	5.00
180	380	OVERHEAD - FIXED RATE	11,130	9. QQ
180	399	CONTINGENCIES		
TOTA	ar It	NTANGIBLE DRILLING COST	405, 903	8.82
		LE DRILLING COST		
		CASING	36,383	
			3,384	
TOTE	AL TA	ANGIBLE DRILLING COST	39,767	.65
		**	4.4E C	
			445,671	. 47

SEC 015 TWN 185 RNG 28E STATE NM NEW MEXICO COUNTY 015 EDDY OPERATOR 5609 MEWBOURNE OIL COMPANY

GF	RS INCEPTION
GEN SUB DESCRIPTION TO	DATE COSTS
INTANGIBLE DRILLING COST	
180 300 PERMITS & SURVEYS	
180 301 LOC, ROADS, SITE PREP, DAMAGES	934.32
TAM ROOTAGE OF THRNKEY DRILLING	
180 304 FUEL, WATER & OTHER	230.01
180 305 COMPLETION/WORKOVER RIG	230.01 49,809.60 35.949.56
180 307 CEMENTING	35,949.56
180 308 LOGGING AND WIRELINE SERVICES	14,705.06
180 309 CASING-TUBING SERVICES & TOOLS	3, 193.35
180 311 TESTING	5,104.19
180 312 TREATING	141,126.67
180 320 TRANSPORTATION	4,959.73
180 321 WELDING & CONSTRUCTION LABOR	·
180 330 EQUIPMENT RENTAL	13,657.68
180 334 LEGAL/TAX	149.11
180 350 INTANGIBLE SUPPLIES	65.38
180 360 RIGHT-OF-WAYS, EASEMENTS, LEASES	8,472.65
180 375 COMPANY SUPERVISION	26,816.00
180 380 OVERHEAD - FIXED RATE	10,468.88
180 399 CONTINGENCIES	•
TOTAL INTANGIBLE DRILLING COST	315,642.19
TANGIBLE DRILLING COST	
181 797 CASING	78,625.65
181 798 TUBING	20,616.05
181 865 TUBING HEAD	2,157.28
181 870 UPPER SECTION OF WELLHEAD	9,475.50
181 875 SUCKER RODS	6,719.07
181 880 PACKER, PUMP, SUBSURFACE EQUIP	6,584.62
181 885 FUMPING UNIT	15,352.87
181 890 TANKS-STEEL	2,657.68
181 891 TANKS-OTHER	1,500.00
181 894 SEPARATION EQUIPMENT-FIRED	•
181 895 SEPARATION EQUIPMENT-NON FIRED	1,800.00
181 898 METERING EQUIPMENT	,
181 900 LINE PIPE	
181 905 VALVES	149.66
181 906 MISC FITTINGS & ACCESSORIES	7, 173.26
181 910 PRODUCTION EQUIP INSTALLATION	10,168.95
181 920 PIPELINE CONSTRUCTION	· ,
TOTAL TANGIBLE DRILLING COST	162,980.59
77777731 75 P77773	. 1-10 at 2 at
TOTALS FOR AFE	478,622.78

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

July 13, 1991

PADILLA & SYNDER Attorneys at Law P. O. Box 2523 Santa Fe, New Mexico 87504

RE: CASE NO. 10485

ORDER NO. R-9688

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office

Karen Aubrey Steve Keene

Stogner

MEWBOURNE OIL COMPANY

TURKEY TRACK "15" STATE #1

PAY-OUT STATUS REPORT 12/31/93

	CURRENT	INCEPTION	RECOVERY	BALANCE TO
EXPENDITURES	MONTH	TO DATE	%	BE RECOVERED
INTANGIBLE DRILLING & COMPLE	0.00	718,087.49	300%	2,154,262.47
LEASE & WELL EQUIPMENT	(2,821.31)	202,027.40	300%	606,082.20
LEASE OPERATING EXPENSES	1,712.92	34,711.32	300%	104,133.96
TOTAL EXPENDITURES				\$2,864,478.63

INCOME	CURRENT MONTH VOLUME	INCEPTION TO DATE VOLUME	CURRENT MONTH DOLLARS	INCEPTION TO DATE DOLLARS
CONDENSATE SALES	0.00	1,280.86	0.00	22,596.77
GAS SALES	346	4,217	631.57	7,670.32
COND. PRODUCTION TAX		•	0.00	(1,594.65)
GAS PRODUCTION TAX			(57.88)	(696,68)
TOTAL INCOME			573.69	27,975.76
LESS ROYALTIES @ .125			_	(3,496.97)
NET INCOME APPLICABLE TO PA	YOUT			\$24,478.79
BALANCE TO BE RECOVERED				\$2,839,999.84

LOUIS DREYFUS NATURAL GAS CORP. STATE OF NEW MEXICO CASE# 10485 & ORDER # R-9688

ms.

Stogner

MEWBOURNE OIL COMPANY

TURKEY TRACK "15" STATE #1

PAY-OUT STATUS REPORT 3/31/94

	CURRENT	INCEPTION	RECOVERY	BALANCE TO
EXPENDITURES	MONTH	TO DATE	%	BE RECOVERED
INTANGIBLE DRILLING & COMPL	0.00	718,382.19	300%	2,155,146.57
LEASE & WELL EQUIPMENT	0.00	202,027.40	300%	606,082.20
LEASE OPERATING EXPENSES	4,688.01	46,910.73	300%	140,732.19
TOTAL EXPENDITURES				\$2,901,960.96

INCOME	CURRENT MONTH VOLUME	INCEPTION TO DATE VOLUME	CURRENT MONTH DOLLARS	INCEPTION TO DATE DOLLARS
CONDENSATE SALES	0.00	1,647.15	0.00	27,505.05
GAS SALES	152	4,896	265.63	8,820.71
COND. PRODUCTION TAX			0.00	(1,946.52)
GAS PRODUCTION TAX			(20.66)	(843.67)
TOTAL INCOME		•	244.97	33,535.57
LESS ROYALTIES @ .125				(4,191.95)
NET INCOME APPLICABLE TO P	AYOUT		_	\$29,343.62

BALANCE TO BE RECOVERED

\$2,872,617.34

LOUIS DREYFUS NATURAL GAS CORP.

STATE OF NEW MEXICO CASE# 10485 & OBJER # R-9688

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MEWBOURNE OIL COMPANY

TURKEY TRACK "15" STATE #1

PAY-OUT STATUS REPORT 6/30/94

EXPENDITURES	CURRENT MONTH	INCEPTION TO DATE	RECOVERY %	BALANCE TO BE RECOVERED
INTANGIBLE DRILLING & COMPL	0.00	721,242.19	300%	2,163,726.57
LEASE & WELL EQUIPMENT	0.00	202,027.40	300%	606,082.20
LEASE OPERATING EXPENSES	3,645.22	55,308.84	300%	165,926.52
TOTAL EXPENDITURES				\$2,935,735.29

DICOME	CURRENT MONTH	INCEPTION TO DATE	CURRENT MONTH DOLLARS	INCEPTION TO DATE
INCOME	VOLUME	VOLUME		DOLLARS
CONDENSATE SALES	0.00	1,647.15	0.00	27,505.05
GAS SALES	40	5,144	29.53	9,016.97
COND. PRODUCTION TAX			0.00	(1,946.52)
GAS PRODUCTION TAX			(2.30)	(858.93)
TOTAL INCOME			27.23	33,716.57
LESS ROYALTIES @ .125				(4,214.57)
NET INCOME APPLICABLE TO	PAYOUT		_	\$29,502.00
			•	
BALANCE TO BE RECOVERED			=	\$2,906,233.29

LOUIS DREYFUS NATURAL GAS CORP. STATE OF NEW MEXICO CASE# 10485 & ORDER # R-9688

MEWBOURNE OIL COMPANY

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TURKEY TRACK "15" STATE #1

\$2,933,929.68

PAY-OUT STATUS REPORT 9/30/94

EXPENDITURES	CURRENT MONTH	INCEPTION TO DATE	RECOVERY %	BALANCE TO BE RECOVERED
INTANGIBLE DRILLING & COMPL	0.00	721,242.19	300%	2,163,726.57
LEASE & WELL EQUIPMENT	0.00	202,027.40	300%	606,082.20
LEASE OPERATING EXPENSES	3,563.69	64,615.05	300%	193,845.15
TOTAL EXPENDITURES				\$2,963,653.92
INCOME CONDENSATE SALES	CURRENT MONTH VOLUME 0.00	INCEPTION TO DATE VOLUME 1,647.15	CURRENT MONTH DOLLARS 0.00	INCEPTION TO DATE DOLLARS 27,505.05
GAS SALES	85	5,501	59.85	9,291.14
COND. PRODUCTION TAX	0.5	2,301	0.00	(1,946.52)
GAS PRODUCTION TAX			(4.63)	(879.11)
TOTAL INCOME			55.22	
· ·			33.22	33,970.56
LESS ROYALTIES @ .125				(4,246.32)
NET INCOME APPLICABLE TO PA	YOUT		:	\$29,724.24

LOUIS DREYFUS NATURAL GAS CORP.
-STATE OF NEW MEXICO CASE# 10485 & ORDER # R-9688

BALANCE TO BE RECOVERED

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

September 11, 1992

Mr. D. Paul Haden, CPL Mewbourne Oil Company 500 West Texas Suite 1020 Midland, Texas 79701

Dear Mr. Haden:

Based upon your letter of September 8, 1992, and in accordance with the provisions of Division Order No. R-9688, Mewbourne Oil Company is hereby granted an extension of time in which to begin the well on the unit pooled by said order until December 30, 1992.

Sincerely,

William J. LeMay

Director

WJL/sl

cc: Case 10485

Mike Williams

MEWBOURNE OIL COMPANY

OFF CONSER . IN DIVISION RECEIVED

192 SEP 11 6M 9 15

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701 915 / 682-3715

September 8, 1992

William J. LeMay, Director Oil Conservation Division State Land Office Building 310 Old Santa Fe Trail Santa Fe. New Mexico 87504

Re. Request to extend commencement deadline in Order No. R-9688

Dear Mr. LeMay:

The captioned Order issued by the Division authorizes force pooling for the W/2 of Section 15, T18S, R28E, Eddy County, New Mexico for a Morrow test well. Among other provisions set forth therein, the Order provides for the test well to be commenced on or before September 30, 1992. Regarding such commencement deadline date. Mewbourne Oil Company, as operator, hereby requests a 90 day extension. Such request is based upon the following circumstances:

- 1. One of the parties pooled was DeKalb Energy Company. DeKalb was unable or was unwilling to negotiate with us because they were in the process of selling substantially all of their U. S. assets. DeKalb now advises us they are in the process of closing the transaction with Louis Dreyfus Natural Gas Corporation (the closing dated is reportedly sometime in mid September). While DeKalb did not enter its appearance in the case, we would like additional time to try to negotiate voluntary joinder with Dreyfus. If such extension was granted, additional negotiations with Marathon and Exxon (the other non-consenting parties) could continue for their voluntary joinder.
- 2. For cost saving measures, Mewbourne is currently negotiating a multi-well drilling package with a prospective drilling contractor for Mewbourne's wells to be drilled the fourth quarter of 1992 through the first half of 1993. Extending such commencement deadline would allow the referenced test well to be included in the package.
- 3. Due to the low gas prices encountered by the oil and gas industry the first half of 1992, Mewbourne was forced to reversible and restructure its drilling schedule. Such reevaluation postponed the drilling commencement dates of several of its wells, including the well provided for under the above Order.

William J. LeMay, Director September 8, 1992 Page 2

The Division's early attention to the above request will be much appreciated. Please advise if I can be of further help regarding the above request.

D. Paul Haden, CPL

Landman

Sincere

PH/klc

cc: Marathon Oil Company

P. O. Box 552

Midland, Texas 79701 Attn: Mr. Randal P. Wilson

Exxon Company U.S.A.

P. O. Box 1600

Midland, Texas 79702-1600

Attn: Mr. Joe B. Thomas

Louis Dreyfus Natural Gas Corp.

14000 Quail Springs Parkway

Suite 600

Oklahoma City, Oklahoma 73134 Attn: Mr. Paul D. Self

OIL GONSERS AN DIVISION

RECTORD MEWBOURNE OIL COMPANY

193 FE 1 7 7 19 8 46 500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715 FAX (915) 685-4170

February 9, 1993

William J. LeMay, Director New Mexico Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87504

(ase 10485)

Re: Order No. R-9688

Turkey Track "15" St. #1 W/2 Sec. 15, T18S, R28E Eddy County, New Mexico

Gentlemen:

Pursuant to the terms of the captioned Order, you are hereby advised by Mewbourne Oil Company of the subsequent voluntary agreement made by Marathon Oil Company to commit their interest to Mewbourne in support of the captioned well. Marathon's interest therefore is dismissed from the captioned Order regarding compulsory pooling.

Regarding the leasehold interests of Exxon Company, U.S.A. and Louis Dreyfus Natural Gas Corp. under the captioned land, such interests remain compulsory pooled pursuant to the terms of the above Order.

Sincerely,

Mewboutne Oil Company

D. Paul Haden, CPL

Landman

PH/klc

cc: Marathon Oil Company

P. O. Box 552

Midland, Texas 79701

Attn: Mr. Randal P. Wilson