

# HINKLE, COX, EATON, COFFIELD & HENSLEY

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\*NOT LICENSED IN NEW MEXICO

Florene Davidson  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87503

Re: Larica 32 State No. 1 Well  
E $\frac{1}{2}$ , Section 32, Township 18 South, Range 34 East

Dear Florene:

On behalf of our client, Mewbourne Oil Company, attached for filing are the original and two copies of an Application and corresponding proposed advertisement concerning the above-referenced Well.

Very truly yours,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY

*Fran Sowers*  
Fran Sowers, Secretary  
to James Bruce

Attachments

VIA HAND DELIVERY

FRS5\93F74.c

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

RECEIVED

No. 10829

30 1962

APPLICATION

Mewbourne Oil Company makes application for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E $\frac{1}{2}$  of Section 32, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the E $\frac{1}{2}$  of said Section 32.

2. Applicant proposes to drill its Larica 32 State No. 1 Well in the E $\frac{1}{2}$  of Section 32, at an orthodox location 1,980 feet from the South line and 1,980 feet from the East line of the Section, to a depth of 13,700 feet to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The E $\frac{1}{2}$  of Section 32 for all pools or formations spaced on 320 acres;

(b) The SE $\frac{1}{4}$  of Section 32 for all pools or formations spaced on 160 acres; and

(c) The W $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 32 for all pools for formations spaced on 80 acres (including the EK-Bone Springs Pool).

3. Applicant has in good faith sought to join all other mineral or leasehold interest holders in the E $\frac{1}{2}$  of Section 32 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral and 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 E $\frac{1}{2}$  of Section 32, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. 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. 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.

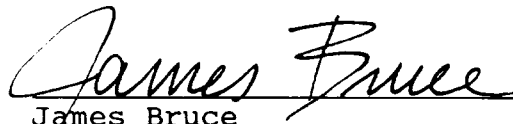
6. The pooling of all interest underlying the E $\frac{1}{2}$  of Section 32, as described above, will prevent waste and protect correlative rights.

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

Dated: August 30, 1993.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY

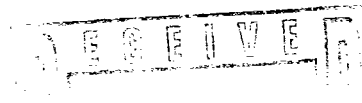
A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above a horizontal line.

James Bruce  
Post Office Box 2068  
Santa Fe, New Mexico 87504-2068  
(505) 982-4554

Attorneys for Applicant

**Proposed Advertisement**

Case No. 10829: Application of Mewbourne Oil Company for compulsory pooling, Lea 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 areas in Section 32, Township 18 South, Range 34 East, and in the following manner: The E $\frac{1}{2}$  forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent; the SE $\frac{1}{4}$  forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within in said vertical extent; and the W $\frac{1}{2}$ SE $\frac{1}{4}$  forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, including the EK-Bone Springs Pool. Said unit is to be dedicated to the applicant's Larica 32 St. Well No. 1, to be drilled at an orthodox location within said E $\frac{1}{2}$  proration unit. 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 unit is located approximately \_\_\_\_\_.



30 1993

LEA COUNTY, NEW MEXICO

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

No. 10,829

AMENDED APPLICATION

Mewbourne Oil Company makes application for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the  $S\frac{1}{2}$  of Section 32, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the  $S\frac{1}{2}$  of said Section 32.

2. Applicant proposes to drill its Larica 32 State No. 1 Well in the  $S\frac{1}{2}$  of Section 32, at an orthodox location 1,980 feet from the South line and 1,980 feet from the East line of the Section, to a depth of approximately 13,700 feet to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The  $S\frac{1}{2}$  of Section 32 for all pools or formations spaced on 320 acres;

(b) The  $SE\frac{1}{4}$  of Section 32 for all pools or formations spaced on 160 acres;

(c) The  $W\frac{1}{2}SE\frac{1}{4}$  of Section 32 for all pools for formations spaced on 80 acres (including the EK-Bone Springs Pool); and

(d) The  $NW\frac{1}{4}SE\frac{1}{4}$  of Section 32 for all pools or formations spaced on 40 acres.

3. Applicant has in good faith sought to join all other mineral or leasehold interest holders in the S½ of Section 32 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral and 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 S½ of Section 32, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. 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. 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.

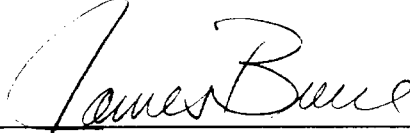
6. The pooling of all interest underlying the S½ of Section 32, as described above, will prevent waste and protect correlative rights.

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

Dated: November 5, 1993.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY



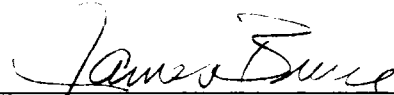
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James Bruce  
Post Office Box 2068  
Santa Fe, New Mexico 87504-2068  
(505) 982-4554

Attorneys for Applicant

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Application was mailed to William F. Carr, Esq, Post Office Box 2208, Santa Fe, New Mexico 87504-2208, and W. Thomas Kellahin, Esq., Post Office Box 2265, Santa Fe, New Mexico 87504-2265, via First Class Mail, postage prepaid, this 5 day of November, 1993.



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James Bruce



### Proposed Advertisement

Case No. 10,829 (Readvertised): Application of Mewbourne Oil Company for compulsory pooling, Lea 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 areas in Section 32, Township 18 South, Range 34 East, N.M.P.M., and in the following manner: The  $S\frac{1}{2}$  forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent; the  $SE\frac{1}{4}$  forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within in said vertical extent; the  $W\frac{1}{2}SE\frac{1}{4}$  forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, including the EK-Bone Springs Pool; and the  $NW\frac{1}{4}SE\frac{1}{4}$  forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to the applicant's Larica 32 St. Well No. 1, to be drilled at an orthodox location within said  $S\frac{1}{2}$  proration unit. 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 unit is located approximately \_\_\_\_\_.