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April 11, 1990

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FEDERAL EXPRESS

Ms. Florene Davidson
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Room 206
Santa Fe, New Mexico 87501

Dear Florene:

Enclosed are an original and two copies of a compulsory pooling/unorthodox gas well location application, submitted on behalf of Mewbourne Oil Company. I previously called in this case to Mr. Stogner, so please set this matter for the May 2, 1990 examiner hearing. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &
HENSLEY

James Bruce
By: James Bruce

JB:le
Enclosures

Case 9926

RECEIVED

APR 12 1990

OIL CONSERVATION DIVISION

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL)
COMPANY FOR COMPULSORY POOLING)
AND AN UNORTHODOX WELL LOCATION,)
EDDY COUNTY, NEW MEXICO.)
_____)

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APR 12 1990

OIL CONSERVATION DIVISION

APPLICATION

Case 9926

Mewbourne Oil Company hereby makes application for an order approving an unorthodox well location and for an order pooling all interests from the surface to the base of the Morrow Formation underlying the N $\frac{1}{2}$ of Section 21, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Applicant is a working interest owner in the N $\frac{1}{2}$ of said Section 21.

2. Applicant proposes to drill its Federal "S" Well No. 1 in the N $\frac{1}{2}$ of Section 21, at an unorthodox location 660 feet from the North line and 660 feet from the East line of the Section, to a depth sufficient to test the Morrow formation (approximately 9,900 feet), and seeks to dedicate the following acreage to the well:

(a) The NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21 for all pools or formations spaced on 40 acres;

(b) The N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 21 for all pools or formations spaced on 80 acres;

(c) The NE $\frac{1}{4}$ of Section 21 for all pools or formations spaced on 160 acres; and

(d) The N $\frac{1}{2}$ Section 21 for all pools or

formations spaced on 320 acres.

3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the N $\frac{1}{2}$ of Section 21 for the purposes set forth herein.

4. 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 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 21, 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 interests underlying the S $\frac{1}{2}$ of Section 21, as described above, and the granting of the unorthodox will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the May 2, 1990 Examiner hearing.

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

Dated: 4/11/90.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &
HENSLEY

By 

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