

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF MEWBOURNE OIL
COMPANY TO AMEND ORDER R-23511
EDDY COUNTY, NEW MEXICO**

**CASE NO. 25215
ORDER NO. R-23511-A**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on March 13, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. On October 23, 2024, OCD issued Order R-23511 to Mewbourne Oil Company (“Operator”) to pool the uncommitted oil and gas interests within the specified spacing unit (“Unit”).
2. Subsequent to the issuance of Order R-23511, the Operators development plans have changed and it now seeks to drill the following initial wells (“Wells”) within the Unit.
 - a. Shark Week 12/10 Fed Com #626H, which will be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 7 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 10; and
 - b. Shark Week 12/10 Fed Com #628H, which will be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 7 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 10.
3. Operator provided evidence that it gave notice of the Application and the hearing to the previously pooled interest owners.
4. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
6. Operator is the owner of an oil and gas working interest within the Unit.
7. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

8. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
9. Operator has the right to drill the Well to a common source of supply at the depth and location in the Unit described in Exhibit A.
10. This Order affords to each owner of an uncommitted interest the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

11. The Wells will now be dedicated to the Unit established by Order R-23511.
12. If the location of the well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
13. Order R-23511 shall remain in full force and effect.
14. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



GERASIMOS RAZATOS
DIRECTOR (Acting)
GR/jag

Date: 5/7/2025

Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25215	APPLICANT'S RESPONSE
Date: March 13, 2025	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Mewbourne Oil Company to Amend Order No. R-23511, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Shark Week
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Avalon; Bone Spring (96381)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,920 acres
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	Sections 10, 11, and 12, Township 20 South, Range 27 East, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. Approval of a non-standard spacing unit is not requested with this application.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Shark Week 12/10 Fed Com 626H (30-015-55921) SHL: 1905' FSL & 1105' FWL (Lot 3), Section 7, T20S-R26E BHL: 1850' FSL & 100' FWL (Unit L), Section 10, T20S-R27E Completion Target: Bone Spring (Approx. 8,409' TVD)
Well #2	Shark Week 12/10 Fed Com 628H (30-015-55921) SHL: 1885' FSL & 1105' FWL (Lot 3), Section 7, T20S-R26E BHL: 440' FSL & 100' FWL (Unit M), Section 10, T20S-R27E Completion Target: First Bone Spring (Approx. 8,409' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4
Tract List (including lease numbers and owners)	Exhibit A-4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A

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Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	Exhibit A
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibits B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	3/5/2025