

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

**AMENDED APPLICATION OF MEWBOURNE OIL COMPANY FOR  
COMPULSORY POOLING AND APPROVAL OF AN OVERLAPPING  
HORIZONTAL WELL SPACING UNIT, EDDY COUNTY, NEW MEXICO.**

**Case No. \_\_\_\_\_  
(formerly Case No. 22007)**

**AMENDED APPLICATION**

Mewbourne Oil Company hereby amends the application filed in Case No. 22007 to seek an order (1) pooling all uncommitted mineral interests in the Wolfcamp formation [Purple Sage; Wolfcamp, (Gas) Pool (98220)] underlying a 640-acre horizontal spacing unit comprised of the N/2 of Sections 22 and 21, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (2) approving an overlapping horizontal well spacing unit for the N/2 of Section 21. In support of the amended application, Mewbourne states:

1. Applicant is an interest owner in the proposed horizontal well spacing unit and has the right to thereon.

2. Applicant seeks to initially dedicate the proposed horizontal well spacing unit to the following proposed wells:

(a) The Papa Grande 22/21 W0AD Fee Well No. 1H, with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the NW/4 NW/4 (Unit D) of Section 21; and

(b) The Papa Grande 22/21 W0HE Fee Well No. 1H, with a first take point in the SE/4 NE/4 (Unit H) of Section 22 and a last take point in the SW/4 NW/4 (Unit E) of Section 21.

3. Applicant has sought in good faith but been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit

4. The pooling of all mineral interest owners in the Wolfcamp formation underlying the N/2 of Sections 22 and 21 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

5. The Waltherthon No. 1 (API No. 30-015-31797) is a vertical well drilled by Marbob Energy Corporation in 2001 in the NE/4 NE/4 (Unit A) of Section 21. Division records reflect that this well was initially completed in the Morrow formation, then the Atoka formation and eventually plugged back to the Wolfcamp formation [Carlsbad; Wolfcamp, East (Gas) Pool (74160)] by Lynx Petroleum in 2013. This well was assigned to Ascent Energy by Lynx Petroleum in 2018.

6. In order to more effectively develop the subject acreage and to permit applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled, the applicant should be designated the operator of the proposed horizontal wells and spacing unit, and an overlapping horizontal well spacing unit should be approved.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells;

B. Designating applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;

C. Authorizing applicant to recover its costs of drilling, equipping and completing the wells;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells; and

F. Authorizing an overlapping horizontal well spacing unit in the N/2 of Section 21 pursuant to NMAC 19.15.16.15.B(9)(b).

Respectfully submitted,

HOLLAND & HART LLP

By: 

---

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com  
kaluck@hollandhart.com

**ATTORNEYS FOR MEWBOURNE OIL COMPANY**