

**CASE NO. 22245**

**APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**MEWBOURNE OIL COMPANY'S EXHIBIT LIST**

1. Application and Proposed Notice
2. Landman's Affidavit
3. Notice Affidavit
4. Affidavit of Publication
5. Pooling Checklist

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

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

Case No. \_\_\_\_\_

**APPLICATION**

Mewbourne Oil Company applies for an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 29 and Lot 2, S/2NE/4, and SE/NW/4 (the S/2N/2) of Section 30, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S/2NW/4 of Section 29 and the S/2N/2 of Section 30, and has the right to drill a well thereon.
2. Applicant has drilled the Pavo Frio 29-30 B2FE Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and has dedicated the S/2NW/4 of Section 29 and the S/2N/2 of Section 30 to the well. The well is a horizontal well, with a first take point in the SE/4NW/4 of Section 29 and a last take point in Lot 2 of Section 30.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other interest owners in the S/2NW/4 of Section 29 and the S/2N/2 of Section 30 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, a certain Record Title Owner has failed or refused to join in dedicating his interest. Therefore, applicant seeks an order pooling all interest owners in the Bone Spring formation underlying S/2NW/4 of Section 29 and the S/2N/2 of Section 30, pursuant to NMSA 1978 §70-2-17.

EXHIBIT 1

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S/2NW/4 of Section 29 and the S/2N/2 of Section 30 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Pooling all mineral interest owners in the Bone Spring formation underlying the S/2NW/4 of Section 29 and the S/2N/2 of Section 30; and
- B. Designating applicant as operator of the well.

Respectfully submitted,



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James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Mewbourne Oil Company



***Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.***

Mewbourne Oil Company seeks an order pooling all interests in the Bone Spring formation in a horizontal spacing unit comprised of the S/2NW/4 of Section 29 and Lot 2, S/NE/4, and SE/4NW/4 (the S/2N/2) of Section 30, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Pavo Frio 29-30 B2FE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 29 and a last take point in the SW/4NW/4 of Section 30. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 10 miles southwest of Loco Hills, New Mexico.

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

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

Case No. 22245

**SELF-AFFIRMED STATEMENT OF TYLER JOLLY**

Tyler Jolly deposes and states:

1. I am a landman for Mewbourne Oil Company (“Mewbourne”), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application:
  - (a) The purpose of this application is to force pool a Record Title owner of a federal lease into the horizontal spacing unit described below, and in the well drilled in the unit.
  - (b) No opposition is expected because the interest owner being pooled is deceased.
  - (c) A Form C-102 outlining the unit being pooled is submitted as Attachment A. Mewbourne seeks an order pooling of an uncommitted interest owner in the Bone Spring formation in a horizontal spacing unit comprised of the S/2NE/4 of Section 29 and the S/2N/2 of Section 30, Township 18 South, Range 29 East, NMPM, for the Pavo Frio 29/30 B2FE Fed. Com. Well No. 1H.
  - (d) There is no depth severance in the Bone Spring formation.
  - (e) The person being pooled is W.T. Wynn, the Record Title owner of Federal Lease NM 056427, who is deceased. He owns 100% of Record Title to the lease, but no working interest in the Bone Spring formation.
  - (f) Mewbourne submitted a communitization agreement for the well unit to the Bureau of Land Management (“BLM”), but it was returned unapproved because a signature for Mr. Wynn was unobtainable. The BLM requires a force pooling order to cure this defect. Attachment B.

EXHIBIT

2

- (g) Exhibit C contains a letter to the party being pooled, requesting approval of the communitization agreement. The letter was returned as undeliverable.
- (h) Because Mr. Wynn is not a working interest owner, Mewbourne does not request approval of an AFE, overhead rates, or a risk charge.
- (i) Mewbourne requests that it be designated operator of the well.
- (j) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (k) The granting of this application is in the interests of conservation and the prevention of waste.

3. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 2(j) above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 11/2/21

  
Tyler Jolly



District I  
1625 N French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

NOV 06 2018

DISTRICT II-ARTESIA O.C.D. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-45405</b>		2 Pool Code 49553		3 Pool Name PALMILLO EAST BONE SPRING	
4 Property Code <b>322846</b>		5 Property Name PAVO FRIO 29/30 B2FE FED COM			6 Well Number 1H
7 OGRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3480'

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	29	18S	29E		2100	NORTH	2450	WEST	EDDY

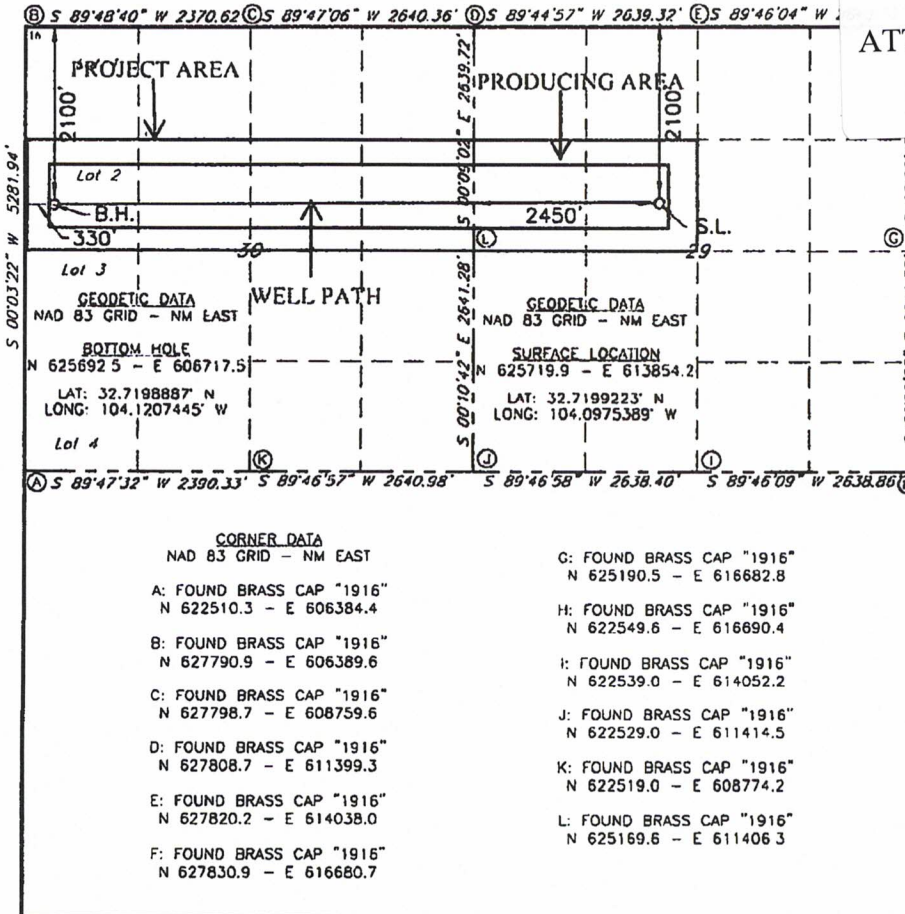
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lot 2	30	18S	29E		2100	NORTH	330	WEST	EDDY

12 Dedicated Acres 240	13 Joint or Infill <b>232.07</b>	14 Consolidation Code	15 Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or

ATTACHMENT A



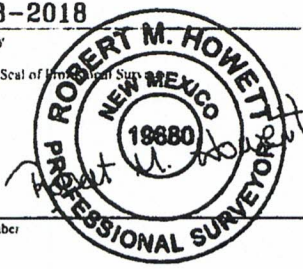
I hereby certify that I am the owner or interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Signature: *NM Young* Date: 3-26-18  
Printed Name: NM YOUNG  
E-mail Address: MYOUNG@MEWBURNE.COM

18 SURVEYOR CERTIFICATION  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

02-28-2018  
Date of Survey

Signature and Seal of Professional Surveyor



19680  
Certificate Number

Job No.: LS1802234

RW11-07-18



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
<https://www.blm.gov/new-mexico>

In Reply Refer To:  
NMNM140566  
3105 (9250)

April 22, 2021

### NOTICE

Mewbourne Oil Company  
Attention: Tyler Jolly  
P.O. Box 7698  
Tyler, TX 75711

:  
:  
:  
:  
:  
:

### Communitization Agreement Returned Unapproved

We are in receipt of your communitization agreement (CA) for the Pavo Frio 29-30 B2FE Fed Com 1H well covering S2NW of Sec. 29, and Lot 2, S2NE, SENW of Sec. 30, T. 18 S., R. 29 E., Eddy County, New Mexico.

Because W.T. Wynn, lessee of Federal lease NMNM056427, is deceased and you were unable to contact or otherwise obtain information regarding W.T. Wynn's estate, we recommend a force pool at this time. Therefore, we are returning this proposed CA with no action taken.

If you have any questions, please contact me at (505) 954-2234 or email [lleib@blm.gov](mailto:lleib@blm.gov).

Lauren Leib  
Land Law Examiner  
Division of Minerals

ATTACHMENT



**MEWBOURNE OIL COMPANY**

500 West Texas, Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

May 22, 2019

Via Certified Mail

W.T. Wynn  
1603 W. Dengar  
Midland, TX 79705


Re: Communitization Agreement  
Pavo Frio 29-30 B2FE Fed Com #1H  
S2NW4 of Section 29 & S2N2 of Section 30  
T18S, R29E, Eddy County, New Mexico

Ladies and Gentlemen,

Mewbourne Oil Company requests your approval and execution of the enclosed communitization agreement covering the above referenced well completed earlier this year. I have provided extra signature and acknowledgement pages for your execution. Please execute the signature and acknowledgement pages and send them back to me at the address on the letterhead. Please contact me at (432) 682-3715 or via email at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com) if you have any questions or need additional information.

Very truly yours,

**MEWBOURNE OIL COMPANY**



Tyler Jolly  
Landman

ATTACHMENT

C



**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

October 14, 2021

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

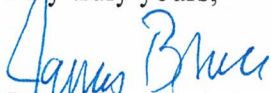
Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. **22245**), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking to pool the Bone Spring formation underlying the S/2NW/4 of Section 29 and the S/2N/2 of Section 30, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, November 4, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to [emnrd.state.nm.us/OCD/hearings](http://emnrd.state.nm.us/OCD/hearings) or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, October 28, 2021. This statement may be filed online with the Division at [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us), and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

  
James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

A



EXHIBIT A

W.T. Wynn  
1603 West Dengar  
Midland, Texas 79705

7021 0350 0001 33-5130

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®

**OFFICIAL USE**

Certified Mail Fee \$	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
<b>Total Postage and Fee</b> \$	
Sent To <b>W.T. Wynn</b>	
<b>1603 West Dengar</b>	
<b>Midland, Texas 79705</b>	
Street and Apt. No., or PO Box No.	
City, State, ZIP+4®	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004970623

This is not an invoice

**JAMES BRUCE ATTORNEY AT LAW**  
POBOX 1056

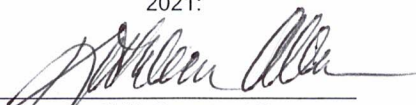
**SANTA FE, NM 87504**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

10/23/2021

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this October 23, 2021:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

1-7-25

My commission expires

### NOTICE

To: W.T. Wynn or your heirs or devisees: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 22245) seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 29 and Lot 2, S/2NE/4, and SE/4NW/4 (the S/2N/2) of Section 30, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Pavo Frio 29-30 B2FE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 29 and a last take point in the SW/4NW/4 of Section 30. Also to be considered will be the designation of applicant as operator of the well. The application is scheduled to be heard at 8:15 a.m. on November 4, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to [emnrd.state.nm.us/OCD/hearings](http://emnrd.state.nm.us/OCD/hearings) or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The unit is located approximately 10 miles southwest of Loco Hills, New Mexico. #4970623, Current Argus, October 23, 2021

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004970623  
PO #: Case No. 22245  
# of Affidavits 1

This is not an invoice

EXHIBIT 4



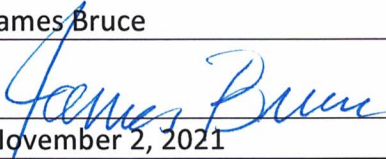
**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case:</b>	<b>22245</b>
<b>Date</b>	<b>May 20, 20201</b>
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Pavo Frio 29/30 B2FE Fed. Com. Well No. 1H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Palmillo, East; Bone Spring Oil/Pool Code 49553
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter Sections/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S/2NW/4 §29 and S/2N/2 §30-18S-29E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Pavo Frio 29/30 B2FE Fed. Com. Well No. 1H API No. 30-015-45405 SHL: 2100 FNL & 2450 FWL §29 BHL: 2100 FNL & 330 FWL §30 FTP: 2100 FNL & 2310 FWL §29 LTP: 2100 FNL & 330 FWL §30 Second Bone Spring Sand/TVD 7598 feet/MD 14825 feet

EXHIBIT 5

Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	N/A
Tract List (including lease numbers and owners)	N/A
Pooled Parties (including ownership type)	Exhibit 2
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/a
<b>Geology</b>	
Summary (including special considerations)	N/A
Spacing Unit Schematic	Exhibit 2-A
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Laydown
Target Formation	Bone Spring
HSU Cross Section	N/A
Depth Severance Discussion	Exhibit 2
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2



General Location Map (including basin)	Exhibit 2-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	N/A
Cross Section Location Map (including wells)	N/A
Cross Section (including Landing Zone)	N/A
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	November 2, 2021