

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. _____

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, in a horizontal spacing unit comprised of the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the Ibex 15/10 B1OB Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H to depths sufficient to test the Bone Spring formation, and to dedicate the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10 to the wells to form a 320 acre horizontal spacing unit in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring. The wells are horizontal wells, with first take points in the in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15 and last take points in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 10.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests.

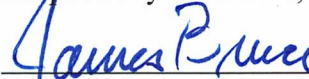
Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, in the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, as set forth above, 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 uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 15 and the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- 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 well.

Respectfully submitted,



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