

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

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

Case No. 23445

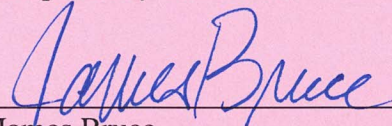
NOTICE OF FILING ADDITIONAL EXHIBITS

Mewbourne Oil Company submits for filing the following:

Exhibit 1, the application, which includes acreage and pool/pool code information as requested by the examiners.

Exhibit 6, the pooling checklist, which corrects a couple of typos.

Respectfully submitted,



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Attorney for Mewbourne Oil Company

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

**APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING AND APPROVAL  
OF UNORTHODOX WELL LOCATIONS, EDDY  
COUNTY, NEW MEXICO.**

Case No. 23445

**APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the NW/4 of Section 14 and the W/2 of Section 11, Township 26 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and approval of unorthodox well locations, and in support thereof, states:

1. Applicant is an interest owner in the NW/4 of Section 14 and the W/2 of Section 11 of Section 14 (containing 480 acres), and has the right to drill a well or wells thereon.
2. Applicant proposes to drill the following wells to depths sufficient to test the Wolfcamp formation:
  - (a) the Fuller 14/11 W1ED Fed. Com. Well No. 1H, with a first take point in the SW/4NW/4 of Section 14 and a last take point in the NW/4NW/4 of Section 11;
  - (b) the Fuller 14/11 W1ED Fed. Com. Well No. 2H, with a first take point in the SW/4NW/4 of Section 14 and a last take point in the NW/4NW/4 of Section 11;
  - (c) the Fuller 14/11 W1FC Fed. Com. Well No. 1H, with a first take point in the SE/4NW/4 of Section 14 and a last take point in the NE/4NW/4 of Section 11; and
  - (d) the Fuller 14/11 W1FC Fed. Com. Well No. 2H, with a first take point in the SE/4NW/4 of Section 14 and a last take point in the NE/4NW/4 of Section 11.

The first and last take points of the wells will be 100 feet from the end lines of the well unit.

EXHIBIT /

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the NW/4 of Section 14 and the W/2 of Section 11 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 uncommitted mineral interest owners in the Wolfcamp formation underlying the NW/4 of Section 14 and the W/2 of Section 11 pursuant to NMSA 1978 §70-2-17.

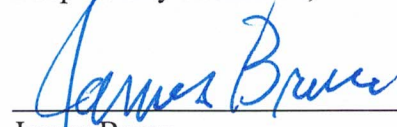
5. The pooling of all uncommitted mineral interest owners in the Wolfcamp formation underlying NW/4 of Section 14 and the W/2 of Section 11, and approval of the unorthodox well locations, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Pooling all uncommitted mineral interest owners in the Wolfcamp formation (Purple Sage; Wolfcamp, Gas /Pool Code 98220) underlying the NW/4 of Section 14 and the W/2 of Section 11;
- B. Approving the unorthodox well locations;
- C. Designating applicant as operator of the wells;
- D. Considering the cost of drilling, completing, testing, and equipping the wells, and allocating the cost among the wells' working interest owners;

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



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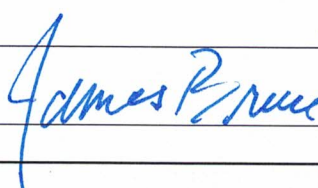
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Attorney for Mewbourne Oil Company

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23445</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: June 15, 2023</b>	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744
Applicant's Counsel:	James Bruce, Attorney at Law
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	N/A
Well Family	Fuller Wolfcamp wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Entire Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp, Gas (pool Code 98220)
Well Location Setback Rules:	Purple Sage Special Rules, Statewide Rules
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres
Building Blocks:	160 acres
Orientation:	South – North
Description: TRS/County	NW/4 §14 and W/2 §11, Township 26 South, Range 29 East, NMPPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	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 2B
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	<p>Fuller 14/11 W1ED Fed. Com. Well No. 1H  API No. 30-015-53452  SHL: 2560 FNL &amp; 710 FWL §14  BHL: 100 FNL &amp; 890 FWL §11  FTP: 2540 FNL &amp; 890 FWL §14  LTP: 100 FNL &amp; 890 FWL §11</p> <p>Target formation: Wolfcamp; South - North orientation  TVD 10188 feet, MD 17910 feet  Not drilled</p>
Well #2	<p>Fuller 14/11 W1ED Fed. Com. Well No. 2H  API No. 30-015-53451  SHL: 2500 FNL &amp; 710 FWL §14  BHL: 100 FNL &amp; 330 FWL §11  FTP: 2540 FSL &amp; 330 FWL §14  LTP: 100 FNL &amp; 330 FWL §11</p> <p>Target formation: Wolfcamp; South - North orientation  TVD 10378 feet, MD 18123 feet  Not drilled</p>
Well #3	<p>Fuller 14/11 W1FC Fed. Com. Well No. 1H  API No. 30-015-53453  SHL: 2580 FNL &amp; 710 FWL §14  BHL: 100 FNL &amp; 1450 FWL §11  FTP: 2540 FSL &amp; 1450 FWL §14  LTP: 100 FNL &amp; 1450 FWL §11</p> <p>Target formation: Wolfcamp; South - North orientation  TVD 10398 feet, MD 18161 feet  Not drilled</p>
Well #4	<p>Fuller 14/11 W1FC Fed. Com. Well No. 1H  API No. 30-015-49781  SHL: 2600 FNL &amp; 540 FWL §14  BHL: 100 FNL &amp; 2010 FWL §11  FTP: 2540 FSL &amp; 2010 FWL §14  LTP: 100 FNL &amp; 2010 FWL §11</p> <p>Target formation: Wolfcamp; South - North orientation  TVD 10205 feet, MD 18128 feet  Not drilled</p>

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 \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit 2B
Tract List (including lease numbers and owners)	Exhibit 2B
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit 2B (Working Interest Owners)
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit 2C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2B
Chronology of Contact with Non-Joined Working Interests	
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit 2D
Cost Estimate to Equip Well	Exhibit 2D
Cost Estimate for Production Facilities	Exhibit 2D

<b>Geology</b>	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 3A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3B
Well Orientation (with rationale)	Exhibits 3, 3A, and 3C
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 3B
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102s	Exhibit 2A
Tracts	Exhibit 2B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2B
General Location Map (including basin)	Exhibit 2A
Well Bore Location Map	Exhibit 2A
Structure Contour Map - Subsea Depth	Exhibit 3A
Cross Section Location Map (including wells)	Exhibit 3A
Cross Section (including Landing Zone)	Exhibit 3B
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	June 13, 2023

*effective*