## BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPAN FOR COMPULSORY POOLING AND APPROVAL OF OVERLAPPING WELL UNITS, EDDY COUNTY, NEW MEXICO.

Case	No.	
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## **APPLICATION**

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying a (proximity tract) horizontal spacing unit comprised of the N/2 of Section 14 and all of Section 11, Township 26 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and approval of overlapping well units, and in support thereof, states:

- 1. Applicant is an interest owner in the N/2 of Section 11 and all of Section 14, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Fuller 14/11 W1FC Fed. Com. Well No. 3H to a depth sufficient to test the Wolfcamp formation. The well has 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 (2570 feet from the west lines of the two sections).
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2 of Section 11 and all of Section 14 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 well or to otherwise commit their interests to the well, 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 Wolfcamp formation in the N/2 of Section 11 and all of Section 14 pursuant to NMSA 1978 §70-2-17.

5. The proposed well unit overlaps the following existing, producing well units:

Well Name	Well Unit	Operator
Fuller 14/11 W1HA Fed. Well No. 2H	NE/4 §14 & E/2 §11	Applicant
Fuller 14/11 W2HA Fed. Well No. 3H	NE/4 §14 & E/2 §11	Applicant

6. The pooling of all mineral interests in the Wolfcamp formation underlying the N/2 of Section 11 and all of Section 14, and approval of the overlapping well units, 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:

- B. Pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 11 and all of Section 14, and approval of the overlapping well units;
- C. Designating applicant as operator of the well;
- D. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's 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, and equipping the well in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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