CASE NO. 23468

APPLICATION OF MEWBOURNE OIL COMPANY TO RE-OPEN CASE NO. 23285 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

EXHIBITS

- 1. Application and Proposed Notice
- 2. Affidavit of Publication

Case 23285 was re-opened because the publication affidavit in that case never arrived, so the case was re-opened and publication notice was re-done.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY TO RE-OPEN CASE NO. 23285 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 23468

APPLICATION

Mewbourne Oil Company applies for an order re-opening Case No. 23285 and pooling all uncommitted mineral interest ownerss in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2 of Section 26 and the S/2 of Section 27, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2 of Section 26 and the S/2 of Section 27, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the following wells to a depth sufficient to test the Wolfcamp formation:
 - (a) The Waterboy 26/27 W0IL Fee Well No. 1H, with a first take point in the NE/4SE/4 of 26 and a last take point in the NW/4SW/4 of Section 2; and
 - (b) The Waterboy 26/27 W0PM Fee Well No. 1H, with a first take point in the SE/4SE/4 of 26 and a last take point in the SW/4SW/4 of Section 26.

The S/2 of Section 26 and the N/2 of Section 27 will be dedicated to the wells.

- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2 of Section 26 and the S/2 of Section 27 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

EXHIBIT

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 S/2 of Section 26 and the S/2 of Section 27, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all uncommitted mineral interests in the Wolfcamp formation underlying the S/2 of Section 26 and the S/2 of Section 27 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. Re-opening Case No. 23285 and pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying the S/2 of Section 26 and the S/2 of Section 27;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, testing, 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, testing and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Application of Mewbourne Oil Company to re-open Case No. 23285 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2 of Section 26 and the S/2 of Section 27, Township 22 South, Range 27 East, NMPM. The unit will be dedicated to (a) The Waterboy 26/27 W0IL Fee Well No. 1H, with a first take point in the NE/4SE/4 of 26 and a last take point in the NW/4SW/4 of Section 27, and (b) The Waterboy 26/27 W0PM Fee Well No. 1H, with a first take point in the SE/4SE/4 of 26 and a last take point in the SW/4SW/4 of Section 27. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells. The unit is located approximately 1 mile north of Otis, New Mexico.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005665108 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:

04/14/2023

Legal Clerk

Subscribed and sworn before me this April 14, 2023:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005665108 PO #: 0005665108 # of Affidavits1

This is not an invoice

ЕХНІВІТ 2

NOTICE

To: Marathon Oil Permian LLC, Spectrum 7 1983-B Drill-ing Program, Spectrum 7 1984-85 Private Drilling Pro-gram, Spectrum 7 1984 Drilling Program, Spectrum 7 In-stitutional Drilling Partner-ship, the Heirs or Devisees of Merle Gill, and Robert F.
Duke, Domiciliary Foreign
P.R. of the Estate of W.
Wayne Gill, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division to re-open Case No. 23285 and seeking an order pooling all uncommitted mineral inter-est owners in the Wolfcamp est owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the \$/2 of Section 27, Township 22 South, Range 27 East, NMPM. The unit will be dedicated to (a) The Waterboy 26/27 WOIL Fee Well No. 1H, with a first take point in the NE/4SE/4 of 26 and a last take point in the NW/4SW/4 of Section 27, and (b) The Waterboy 26/27 WOPM Fee Well No. 1H, with a first take point in the SE/4SE/4 of 26 and a last take point in the SE/4SE/4 of 26 and a last take point in the SE/4SE/4 of 27. The application to re-open has been tion to re-open has been designated Case No. 23468. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, des-ignation of applicant as op-erator of the wells, and a 200% charge for the risk in-volved in drilling, complet-ing, and equipping the wells. This matter is sched-uled for hearing on May 4, 2023 at 8:15 a.m. During the current circumstances, state current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hear-ing, go to https://www.emnr d.nm.gov/ocd/hearing-info/, or contact Marlene Salvidrez at Marlene.Salvidrez@emnr d.nm.gov. You are not re-quired 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 par-ty of record will preclude you from contesting this matter at a later date. A 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 five business days before the hearing date. This statement may be filed online with the Division at 0 of hearings@mard.ma.gov cd.hearings@emnrd.nm.gov, 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

mate 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 attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jame sbruc@aol.com. The unit is located approximately 1 mile north of Otis, New Mexico. #5665108, Current Argus, April 14, 2023