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

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

Case Nos. 23708 - 23709

## NOTICE OF FILING ADDITIONAL EXHIBIT

Mewbourne Oil Company submits for filing the following:

As requested at the hearing, a proposed provision for inclusion in the body of the pooling orders briefly described the intent of the parties regarding Exhibit A-1 attached to the revised pooling checklists filed herein.

Respectfully submitted,

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## Proposed Special Provision for Orders Entered in Case Nos. 23708 and 23709

Mewbourne Oil Company ("Mewbourne") and Magnum Hunter Production, Inc. ("MHPI") have agreed to a Special Provision attached as Exhibit A-1 to the Pooling Checklists submitted as Mewbourne's Revised Exhibit 1 in each case. It concerns a title dispute between Mewbourne and MHPI pertaining to a Term Assignment identified in Exhibit A-1. The parties agree that the intent of the parties concerning Exhibit A-1 is as follows:

First, the title dispute only involves the working interest in the lands and leases covered by the Term Assignment (the "Interest"). Any additional working interest of MHPI in the well units is subject to pooling by the orders to be entered in these cases.

Second, Mewbourne has voluntarily committed the Interest to the well units. If Mewbourne is successful in the resolution of the title dispute, the Interest will remain voluntarily committed to the well units. If MHPI is successful in the resolution of the title dispute, the Interest shall not be considered pooled by the orders to be entered in these cases. It shall become pooled only if (i) a voluntary agreement is subsequently made between Mewbourne and MHPI, or (ii) Mewbourne files subsequent pooling applications before the Division. MHPI would have an election to participate with the Interest in the wells under the voluntary agreement or the orders entered in supplementary pooling cases.