

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO COMPULSORY POOL ADDITIONAL INTEREST
OWNERS UNDER ORDER NO. R-23300, EDDY
COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling additional uncommitted mineral interest owners under Division Order No. R-23300. In support of this application, Applicant states:

1. Order No. R-23300 pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, Eddy County, New Mexico (the "Unit).
2. The following wells are in the Unit:
 - (a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the NW/4SW/4 of Section 8; and
 - (b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 8.

Collectively the "Wells."

3. Order No. R-23300 appoints Applicant as the operator of the Unit and the Wells.
4. Applicant has determined that there are additional uncommitted mineral interest owners in the Unit who were not pooled by Order No. R-23300.
5. Although Applicant has in good faith sought to obtain voluntary joinder of all uncommitted mineral interest owners in the Unit to participate in the drilling of the Wells or to

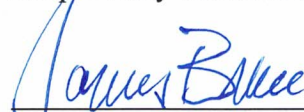
otherwise commit their interests to the Wells, certain interest owners have failed or refused to commit their interests. Therefore, Applicant seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

6. The pooling of all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division, and, after notice and hearing, the Division issue its order:

- A. Pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying the Unit under Order No. R-23300;
- B. Considering the cost of drilling, completing, testing, and equipping the Wells, and allocating the cost thereof among the Wells' working interest owners;
- C. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- D. 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
Phone: (505) 982-2043
Cell: (505) 660-6612
jamesbruc@aol.com

Attorney for Mewbourne Oil Company