

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBOURNE OIL COMPANY**

**CASE NO. 25726
ORDER NO. R-23512-A**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on December 4 and 18, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) requesting an extension to drill the well(s) as required by Order R-23512 (“Order”).
2. Operator requested to amend the non-standard horizontal spacing unit approved though Order R-23512 to correct the pool. Operator provided an amended compulsory pooling application checklist with the correct pool.
3. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
4. Operator has demonstrated good cause to extend the deadlines in the Order.
5. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
8. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

9. The period to drill the well(s) is extended until October 23, 2026.
10. This Order shall terminate automatically if Operator fails to drill and complete the well(s) as stipulated herein unless prior to termination Operator applies, and OCD grants, to amend the Order for good cause shown.
11. The Exhibit A included with Order R-23512 is replaced by the amended Exhibit A included with this Order.
12. The non-standard horizontal spacing unit approved though Order R-23512 is amended to now be for the correct pool as described in the amended Exhibit A.
13. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
14. The remaining provisions of the Order remain in force or effect.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



Date: 12/22/2025

**ALBERT C. CHANG
DIRECTOR
AC/dm**

R-23512-A EXHIBIT A

COMPULSORY POOLING APPLICATION CHECKLIST (AMENDED)	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24552	APPLICANT'S RESPONSE
Date: August 22, 2024; Request for Amendment: December 4, 2025	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Hinkle Shanor LLP & James Bruce: Hardy McLean LLC (at time of amendment)
Case Title:	Application of Mewbourne Oil Company for Approval of a Non-Standard Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Dama Dorado
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Old Millman Ranch; BS (ASSOC) Pool (Code 48035)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,924.32-acre
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	Sections 1, 2, and 3, Township 20 South, Range 27 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is</u> approval of non-standard unit requested in this application?	No. This is a non-standard horizontal spacing unit. Approval of a non-standard unit is requested in this application.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Dama Dorado 1/3 Fed Com 626H (API # pending) SHL: 950' FSL & 245' FEL (Unit P), Section 1, T20S, R27E BHL: 1820' FSL & 100' FWL (Unit L), Section 3, T20S, R27E Completion Target: Bone Spring (Approx. 7,954' TVD)
Well #2	Dama Dorado 1/3 Fed Com 628H (API # pending) SHL: 950' FSL & 265' FEL (Unit P), Section 1, T20S, R27E BHL: 500' FSL & 100' FWL (Unit L), Section 3, T20S, R27E Completion Target: Bone Spring (Approx. 7,977' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit A-4

R-23512-A EXHIBIT A

Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-1
Cross Section (including Landing Zone)	Exhibit B-2
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	12/8/2025