



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



May 13, 2010

Mr. William F. Carr
Holland & Hart LLP
P.O. Box 2208
Santa Fe, NM 87504

Administrative Order NSL-6199

**Re: Mewbourne Oil Company
Wyatt Draw 25D Well No. 1
API No. 30-015
210 feet FNL and 330 feet FWL
Unit D, Section 25-19S-25E
Eddy County, New Mexico**

Dear Mr. Carr:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-11257010**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Mewbourne Oil Company (Mewbourne), on April 22, 2010, and

(b) the Division's records pertinent to this request.

Mewbourne has requested to drill the above-referenced well at an unorthodox oil well location, described above in the caption of this letter. The NW/4 NW/4 of Section 25 will be dedicated to this well in order to form a standard, 40-acre wildcat oil spacing unit in the Yeso formation. This location is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from the northern unit boundary.

Your application on behalf of Mewbourne has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that Mewbourne is seeking this location for topographic reasons.



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It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', followed by a long horizontal flourish.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia
United States Bureau of Land Management