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

APPLICATION OF MEWBOURNE OIL COMPANY FOR AN EXCEPTION TO DIVISION RULE 104.C(2)(c), EDDY COUNTY, NEW MEXICO.

CASE NO. 13305

<u>AFFIDAVIT</u>

STATE OF NEW MEXICO)) ss. COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Mewbourne Oil Company, the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

SUBSCRIBED AND SWORN to before me this he day of July 2004 by William F. Carr.

1

Nota

My Commission Expires:

3250910_1.DOC



OFFICIAL SEAL LISAMARIE ORTIZ NOTARY PUBLIC-STATE OF NEW MEXICO My commission expire

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>13305</u> Exhibit No. 6 Submitted by: <u>MEWBOURNE OIL COMPANY</u> Hearing Date: <u>August 5, 2004</u>

NOTIFICATION LIST

Exhibit "A"

Faulconer Resources 2000 Limited Partnership P.O. Box 7995 Tyler, TX 75711 Attn: Jean Crawley

Eland Energy, Inc. Two Galleria Tower 13455 Noel Road, Suite 2000 Dallas, TX 75240 Attn: Craig Nielsen

Claremont Corporation P.O. Box 549 Claremore, OK 74018-0549

Devon Energy Production Company, L.P. 20 North Broadway, Suite 1500 Oklahoma City, OK 73102

Wynn-Crosby 2000, Ltd. 5500 W. Plano Parkway, Suite 200 Plano, TX 75093-4836

Jetta Operating Company 777 Taylor Street Fort worth, TX 76102-4919

CAPMAC Eighty-Two Limited Partnership 777 Taylor Street Fort Worth, TX 76102-4919

Redfern Enterprises, Inc. P.O. Box 2127 Midland, TX 79702-2127

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Estate of Lillie M. Yates 105 South Fourth Street Artesia, NM 88210 Sharbo Oil Ltd. Co. P.O. Box 840 Artesia, NM 88211-0840

Sacramento Partners Limited Partnership 105 South Fourth Street Artesia, NM 88210

John A. Yates, Jr. 105 South Fourth Street Artesia, NM 88210

John A. Yates, Jr. Trustee of Trust "Q" 105 South Fourth Street Artesia, NM 88210

Peyton Yates 105 South Fourth Street Artesia, NM 88210

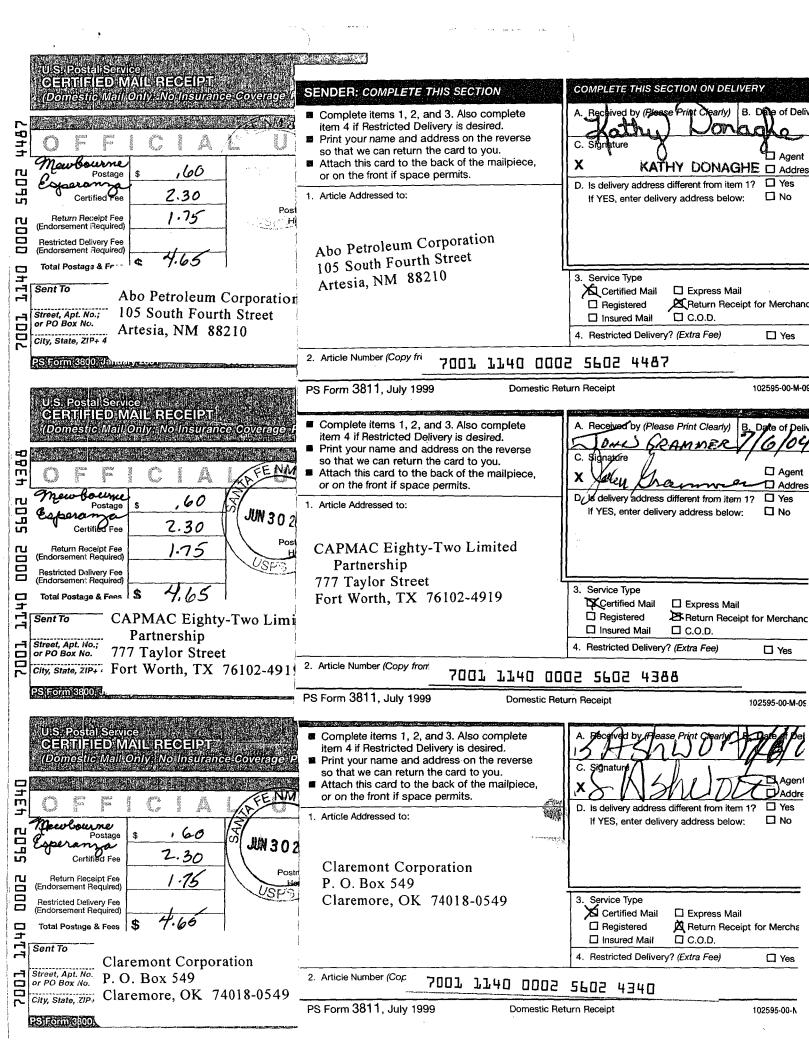
Judy H. Yates 50 Ravenglass Way Colorado Springs, CO 88906-7967

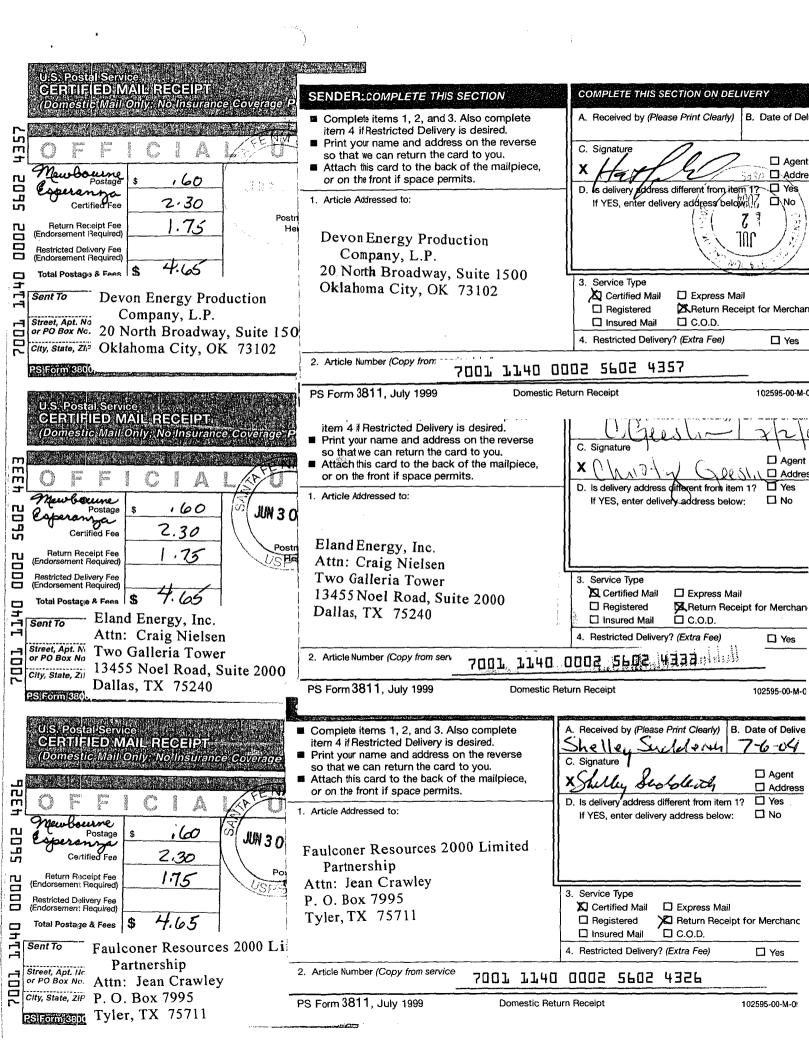
Abo Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

MYCO Industries, Inc. P.O. Box 840 Artesia, NM 88211-0840

Yates Drilling Company 105 South Fourth Street Artesia, NM 88210

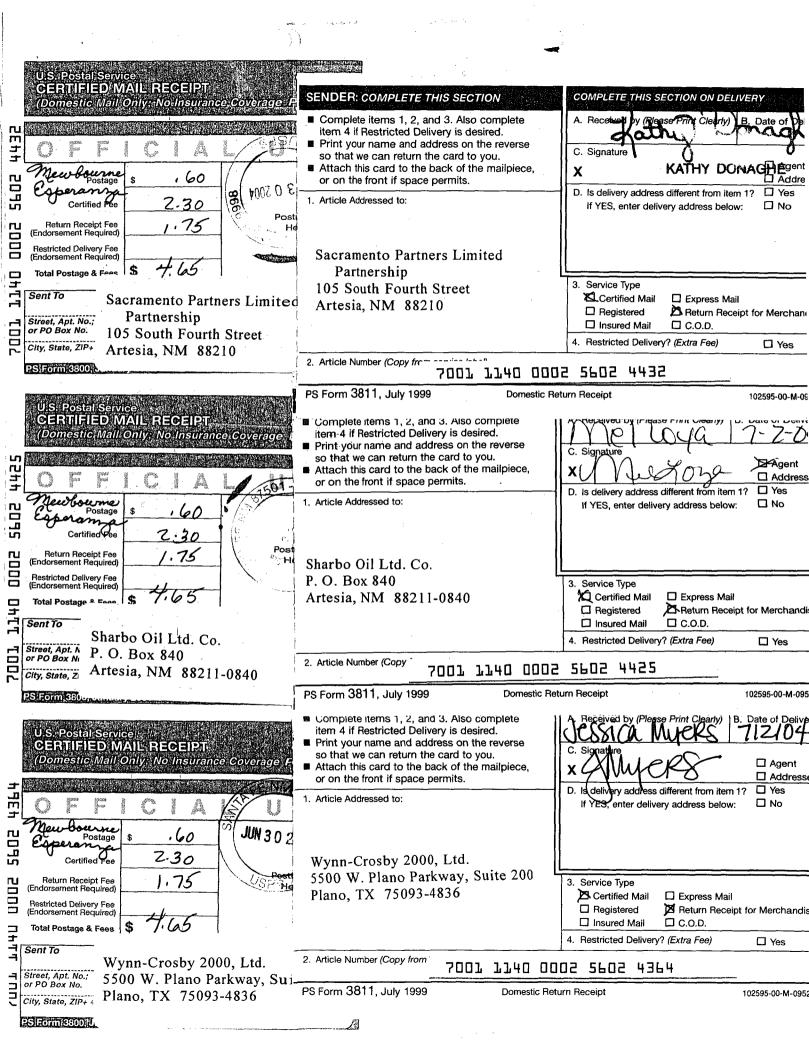
06/28/2004 MON 13:30 [TX/RX NO 5963] 2003



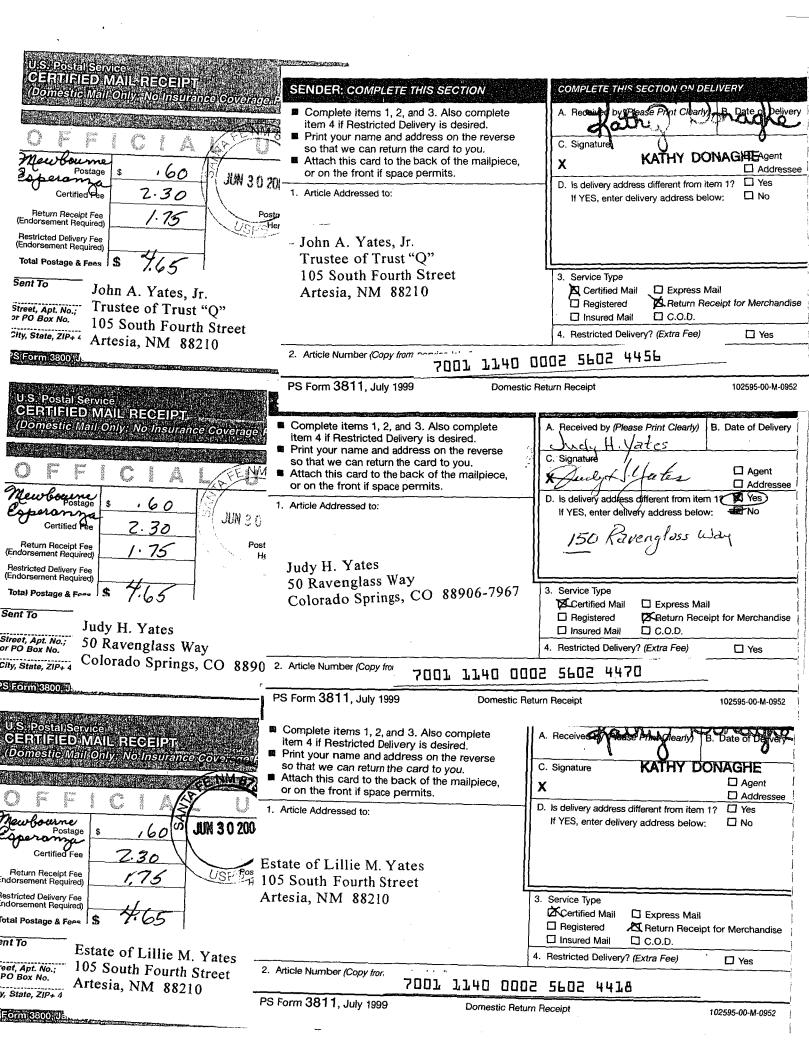








Each State			
SENDER COMPLETE TWISTERION Complete from 1, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Provide from 3, 2, and 3, Abs complete Prom 3, 1, aby 1999 Complete from 3, 2, and 3, Abs c			
Alter to the back of the majpace, if on the fourth street of the majpace, if on the fourth street is a field of the majpace, if on the fourth is mapped particle. Alter the delivery test with the majpace is a field of the majpace, if on the fourth is mapped particle. Alter the delivery test with the majpace is a field of the majpace, if on the fourth is mapped particle. Alter the delivery test with the majpace is a field of themajpace is a field of the majpace is a field of the majpace is a	CERTIFIED MAIL RECEIPT (Domestic Mail/Only, No Insurance Coverage) F	 SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse 	A. Received to Please Print Election CO. (1000) ALDElive
Anderson Magazing 	Certified Fee 2.30	 Attach this card to the back of the mailpiece, or on the front if space permits. 	D. Is delivery address different from item 1? Yes
2. Article Number (Copy / 7001 1140 0002 5402 4500 PS Form 3811, July 1999 Donestic Return Receipt Complete items 1, 2, and 3, Also complete tem 4 if Restricted Delivery is desired. PS Form 3811, July 1999 Donestic Return Receipt Carticle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4401 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle Main Second Particle Number (Copy / 001 1140 0002 5402 4449 Carticle Main Second Particle	Endorsement Required) Restricted Delivery Fee Endorsement Required) Total Postage & Feee Sent To Yates Drilling Company Street, Apt. No.; IO5 South Fourth Street Artesia, NM 88210	105 South Fourth Street	Certified Mail Express Mail Registered Insured Mail C.O.D.
PS Form 3811, July 1999 Domestic Return Receipt 10256-0 Complete items 1, 2, and 3. Also complete tiem 4 if Restricted Delivery is desired. A factore thy draw for Cale of the Cale so that we can return the card to you. A factore thy draw for Cale of the Cale or on the Troffit if space permits. OFFFICE C. Signature A factore thy draw for Cale of the Cale so that we can return the card to you. A factore thy draw for Cale of the Cale or on the Troffit if space permits. OFFFICE C. 30 I. Article Addressed to: I. Article Addressed to: Patter factore for dotament flexible I. Article Addressed to: I. Article Addressed to: Yates Petroleum Corporation teer data weith dotament flexible I. Article Addressed to: I. Article Addressed to: Yates Petroleum Corporation teer data weith dotament flexible I. Article Number (C 7001 1140 0002 5L02 4401 I. Restricted Delivery? (Extra Fee) Y. Yates Petroleum Corporation teer data weith dotament flexible PS Form 3811, July 1999 Domestic Return Receipt I. Article Number (C 7001 1140 0002 5L02 4401 PS Form 3811, July 1999 Domestic Return Receipt I. Article Addressed to: I. Article Addressed to: Print your name and address on the reverse so that we can return the card to you. A factore the mailpice, or on the front if space permits. I. Article Addressed to:	·	2. Article Number (Copy 1 7001, 1,1,40 000	
CERTIFIED WALE RECEIPT Conserved with an end address on the reverses item 4 if Restricted Delivery is desired. Print your name and address on the reverses or on the Work if Spectry Field Cardinater Require Field Cardinat			
Image: Approximate in the second s	CERTIFIED MAIL RECEIPT	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, 	A. Receiver by (Riggse Print Clearly) B. Date of Deliver C. Signature X KATHY DONAGE Egent
Yates Petroleum Corporation Insule Main I.C.O.D. Yeek Apt. No.: 105 South Fourth Street Artesia, NM 88210 I. Restricted Delivery? (Extra Fee) Yee Y, State, 279-4 Artesia, NM 88210 I. Article Number (C 7001 J.J.40 0002 5602 4401 Insule Number (C 7001 J.J.40 0002 5602 4401 Insule Number (C Yee Insule Number (C 7001 J.J.40 0002 5602 4401 Insule Number (C Yee Insule Number (C 7001 J.J.40 0002 5602 4401 Insule Number (C Yee Insule Number (C 7001 J.J.40 0002 5602 4401 Insule Number (C Insule Number (C Yee Insule Number (C Yee Yee Second State (Lift Only Nucleosity Counces) Insule Andressee Insule Number (C Yee Insule Number (C Yee Yee Yee Number (C Yee Yee Insule Number (C Yee Insule Number (C Yee Insule Number (C Yee Yee Insule Number (C Yee Yee Yee	Certified Fee Return Receipt Fee Indorsement Required) estricted Delivery Fee Indorsement Required) Total Postage & Fees \$ 71.65	Yates Petroleum Corporation 105 South Fourth Street	If YES, enter delivery address below: INO 3. Service Type Certified Mail Express Mail
2. Article Number (C 7001 1340 3. Service Type 1. Article Addressed to: 1. Article Addressed to: 1. Article Addressed to: 1. Article Addressed to: 1. Article Addressed to: 1. Article Addressed to: 1. Article Addressed to: 1. Article Number (Copy from se 3. Service Type 3. Service Type 3. Service Type 3. Service Type 2. Article Number (Copy from se 1. Article Number (Copy from se 1. Article Number (Copy from se 1. Article Number (Copy from se 1. Article Number (Copy from se	Yates Petroleum Corporation	1	
EXAMPLEMENT PS Form 3811, July 1999 Domestic Return Receipt 102565-00 SE20StateGender, E EGRIFICIED MAIL RECEIPT Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. A. Heceived by (Please Print Searly) B. Date of D. EGRIFICIED MAIL RECEIPT Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. A. Heceived by (Please Print Searly) B. Date of D. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. D. Is delivery address bileferent from item 1? Yes Image: Second	PO Box No. Artesia, NM 88210	2. Article Number (C 7001, 1100, 000, 7	
S. POSICI SERVICE ERTIFIED MAIL RECEIPT Consisting Well Only, No Insurance Cources Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print your name and address on the reverse so that we can return the card to you. Print Your name and address on the reverse so that we can return the card to you. Print Your name and address on the reverse so that we can return the card to you. Print Your name and address on the reverse so that we can return the card to you. Identified To the reverse forsement Required intared Bailed St. John A. Yates, Jr. John A. Yates, Jr. IO			
Hew beams Postage Certified Fee 1.00 Return Receipt Fee dorsement Required) 1.75 Better Receipt Fee dorsement Required) 1.75 Stricted Delivery Fee dorsement Required) 1.765 Stricted Number (Copy from se 7001 1140 1.140 Bos No. 1.05 South Fourth Street PS Ecorm 3811 1.000 PS Ecorm 3811 1.000	J.S. Postal Service . CERTIFIED MAIL RECEIPT Domestic Mail Only, No Insurance Coverage	 Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Heceived by (Please Part Slearly) B. Date of Delivery C. Sightmethy X D. Is delivery address different from item 1? Yes
Artesia NM 88210 2. Article Number (Copy from se 7001 1140 0002 5602 4449	Certified Fee 2.30 Return Receipt Fee 1.75 dorsement Required) estricted Delivery Fee dorsement Required)	John A. Yates, Jr. 105 South Fourth Street	3. Service Type Scertified Mail Express Mail Registered KReturn Receipt for Merchandise
John A. Yates, Jr. 2. Article Number (Copy from se PO Box No. 105 South Fourth Street 7001 1140 0002 5602 4449 Artesia NM 88210 PS Form 3811 http://www.1999			
	John A. Yates, Jr. 2. BO BOX NO. 105 South Fourth Street Artesia NM 88210	7001 1140 0	
	,, ,, ,, ,, , , , , , , , , , , , , , ,		rn Receipt 102595-00-M-0952



		,
	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
U.S. Postal Service CERTIFIED MAIL RECEIPT. (Domestic Mail Only: No Insurance Coverage) OFFICIA	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Received by (Please Briet Clearly) B. Date of Delivery C. Signature X KATHY DONACH eddressee D. Is delivery address different from item 1? Yes
Meurboune Postage \$ 160 Logeramp Certified Fee Z-30 Return Receipt Fee (Endorsement Required) 1.75	Peyton Yates	If YES, enter delivery address below: 🔲 No
Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$ 4.65	105 South Fourth Street L Artesia, NM 88210	3. Service Type X Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.
Sent To Peyton Yates		4. Restricted Delivery? (Extra Fee)
Street, Apt. No.: or PO Box No. City, State, ZIP+ 4 Artesia, NM 88210	2. Article Number (Copy 7001 1140 0002	5602 4463
	PS Form 3811, July 1999 Domestic Retu	urn Receipt 102595-00-M-0952

•

HOLLAND&HART.

William F. Carr wcarr@hollandhart.com

June 30, 2004

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To Affected Working Interest Owners

Re: New Mexico Oil Conservation Division Case No. 13305: Application of Mewbourne Oil Company for an Exception to Division Rule 104.C(2)(c), Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking an exception to Division Rule 104.C(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N/2 equivalent of irregular Section 19, Township 21 South, Range 27 East NMPM, to form a standard 320-acre gas spacing and proration unit in the Burton Flat-Morrow Gas Pool, the Undesignated La Huerta-Strawn Gas Pool and the Undesignated La Huerta-Atoka Gas Pool and any other pool in this 314.84 spacing unit developed on 320-acre spacing. Applicant proposes to directionally drill the Mewbourne Esperanza "19" Federal Com well No. 2 from a nonstandard surface location 599 feet from the North line and 2043 feet from the East line to a standard bottomhole location of 780 feet from the North line and 1463 feet from the West line of this section. The well will therefore be at a standard location in the Wolfcamp, Strawn Atoka and Morrow formations.

This application has been set for hearing before a Division Examiner on July 22, 2004 at Porter Hall in the Division's Santa Fe offices. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

William F.[®]Carr Attorney for Mewbourne Oil Company

cc: D. Paul Haden Mewbourne Oil Company

3250394_1.DOC

Holland & Hart LLP

 Phone [505] 988-4421
 Fax [505] 983-6043
 www.hollandhart.com

 110 North Guadalupe Suite 1
 Santa Fe, NM
 87501
 Mailing Address
 P.O. Box
 2208
 Santa Fe, NM
 87504-2208

 Aspen
 Billings
 Boise
 Boulder
 Cheyenne
 Colorado Springs
 Denver
 Denver Tech Center
 Jackson Hole
 Salt Lake City
 Santa Fe
 Washington, D.C.
 C

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES **OIL CONSERVATION DIVISION** JUN 29 PM 4

IN THE MATTER OF THE APPLICATION **OF MEWBOURNE OIL COMPANY FOR** AN EXCEPTION TO DIVISION RULE 104.C(2)(c), EDDY COUNTY, **NEW MEXICO.**

APPLICATION

1

CASE NO.

MEWBOURNE OIL COMPANY ("Mewbourne"), through its undersigned attorneys, hereby makes application for an order granting an exception to Division Rule 104.C(2)(c) to allow two operators in formations developed on 320--acre spacing in the N/2 of Section 19, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and in support of its application states:

1. Mewbourne is a working interest owner in the N/2 of irregular Section 19, and desires to drill the Mewbourne Oil Company Esperanza "19" Federal Com. Well No. 2 ("the Esperanza Well") from a non-standard standard gas well surface location 599 feet from the North line and 2043 feet from the East line and directionally drill the well in a west southwesterly direction to a standard bottomhole location 780 feet from the North line and 1463 feet from West line of said Section 19, to a depth sufficient to test all formations developed on 320-acre spacing through the Morrow formation, Burton Flat-Morrow Gas Pool. The directional drilling has been required by the BLM. Mewbourne plans to test the Wolfcamp, Strawn, Atoka and Morrow formations with this well.

2. This N/2 spacing unit is comprised of two federal leases and is irregular as the result of a variation in the U. S. Public Lands Survey. It contains 314.84-acres, more or less, and is comprised of Lots 1 and 2 (W/2 NW/4) and the E/2 NW/4 and the NE/4 of irregular Section 19. This spacing unit is currently dedicated to (i) the Wynn-Crosby Energy, Inc. RGD Well No. 1 located at a standard gas well location 660 feet from the North line and 840 feet from the East line (NE/4 NE/4) which produces from the Morrow formation, Burton Flat-Morrow Gas Pool, and (ii) the Vernon E. Faulconer,

NEW YOARDN Page 1

Inc. Pioneer Federal Com Well No. 1 located at a standard gas well location 1980 feet from the North and East lines (SW/4 NE/4) which produces from the Strawn formation, Undesignated La Huerta-Strawn Pool and the Atoka formation, Undesignated La Huerta-Atoka Pool.

3. Mewbourne proposes to simultaneously dedicate this spacing unit in the Morrow formation to the Esperanza Well located in the NE/4 NW/4 of the Section and the and the Wynn-Crosby Energy, Inc. RGD Well No. 1 located in the NE/4 NE/4 of the Section.

4. Mewbourne proposes to simultaneously dedicate this spacing unit in all other formations developed on 320-acre spacing to the Esperanza Well located in the NE/4 NW/4 of the Section and the Vernon E. Faulconer, Inc. Pioneer Federal Com Well No. 1 located in the SW/4 NE/4 of the Section.

5. Wynn-Crosby is a working interest owner and has operating rights only in the Morrow formation. Wynn-Crosby has executed Mewbourne's AFE but it prefers for Mewbourne to operate the Esperanza Well.

6. Vernon E. Faulconer, Inc. is the operator of the other formations in the N/2 of this section. However, Mewbourne has acquired the entire working interest of Vernon E. Faulconer, Inc. in this acreage. Because Vernon E. Faulconer, Inc. will own no interest in the Esperanza Well, and will pay no share of the well costs, Mewbourne desires to operate the well.

7. Neither Wynn-Crosby nor Vernon E. Faulconer object to Mewbourne operating the well.

8. Under the Operating Agreement covering the N/2 of this section in all formations except the Morrow, and pursuant to Division policy, Mewbourne will be allowed to drill the Esperanza Well to completion. However, Division Rule 104.C(2)(c) requires the operator of an infill well on a 320 acre unit to be the same as the operator of the initial well. Therefore, Mewbourne cannot operate and produce the Esperanza Well if it is completed as a well capable of production from the Strawn, Atoka or Morrow formations, and potentially other formations developed on 320-acre spacing.

9. Mewbourne therefore requests an exception to Division Rule 104.C(2)(c) to allow two operators in formations developed on 320-acre spacing in the N/2 equivalent of Section 19.

10. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Mewbourne Oil Company, requests that this application be set for hearing and that after notice and hearing, as required by law and the Rules of the Division, the Division enter its order granting this application.

> Respectfully submitted, HOLLAND & HART, LLP

By:

William F. Carr Post Office Box 2208 Santa Fe, New Mexico 87504-2208 Telephone: (505) 988-4421

ATTORNEYS FOR MEWBOURNE OIL COMPANY

Application of Mewbourne Oil Company for an Exception to Division Rule 104.C(2)(c), Eddy County, New Mexico. Applicant seeks an order granting an exception to Division Rule 104.C(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N/2 equivalent of irregular Section 19, Township 21 South, Range 27 East, NMPM, to form a standard 320-acre gas spacing and proration unit in the Burton Flat-Morrow Gas Pool, the Undesignated La Huerta-Strawn Gas Pool and the Undesignated La Huerta-Atoka Gas Pool and any other pool in this 314.84 spacing unit developed on 320-acre spacing. Applicant proposes to directionally drill the Mewbourne Esperanza "19" Federal Com Well No. 2 from a non-standard surface location 599 feet from the North line and 2043 feet from the East line to a standard bottomhole location of 780 feet from the North line and 1463 feet from the West line of this section. The well will therefore be at a standard location in the Wolfcamp, Strawn, Atoka and Morrow formations. Applicant seeks authority to simultaneously dedicate the N/2 of Section 19 in the Morrow formation to its Esperanza well and to the Wynn-Crosby Energy, Inc. RGD Well No. 1 located in the NE/4 NE/4 of the Section and to simultaneously dedicated the N/2 of Section 19 in the Strawn, Atoka and other formations to its Esperanza Well and the Vernon E. Faulconer, Inc. Pioneer Federal Com Well No. 1 located in the SW/4 NE/4 of Section 19. This unit is located approximately one mile northeast of Carlsbad, New Mexico.

Affidavit of Publication				
STATE OF NEW MEXICO				
County of Eddy:				
Gary D. Scott being duly				
sworn,says: That he is the Publisher of The				
Artesia Daily Press, a daily newspaper of general				
circulation, published in English at Artesia, said county				
and county and state, and that the here to attached				
Legal Notice				
was published in a regular and entire issue of the said				
Artesia Daily Press, a daily newspaper duly qualified				
for that purpose within the meaning of Chapter 167 of				
the 1937 Session Laws of the state of New Mexico for				
1 consecutive weeks/days on the same				
day as follows:				
First Publication July 2 2004				
Second Publication				
Third Publication				
Fourth Publication				
Nan N Statt				
Subscribed and sworn to before me this				
12th Day July 2004				
Bachace lin Boars				
Notary Public, Eddy County, New Mexico				
My Commission expires September : 23, 2007				

State of The Mexico through its Oil-Conservation Division Conservation Division hereby gives notice pur-suant to law and the Rules and Regulations of the Division of the follow-ing public hearing to be held at 8:15 A.M. on July 22, 2004, in the Oil Conservation Division Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qulified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson 505-476-3458 or through the New Mexico Relay N e t w o r k , 1-800-659-1779 by July 19, 2004. Public documents including the agenda and minutes, can be provided in various accessible forms Please contact Florene Davidson if a summary or other type of accessible form is needed. STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following cases and notice to the public. (NOTE: All land de-scriptions herein refer to the New Mexico Principal Meridian whether or not so stated.) CASE 13305: Applica-tion of Mewbourne Oil Company for an Exception to Division Rule 104.C(2)(c), Eddy Coun-ty New Mexico. Appli-cant in the above-styled cause seeks an order granting an exception to Division Rule 104 C(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N/2 equivalent of ir-regular Section 19, Township 21 South, Range 27 East, NMPM, to form a standard 320-acre gas spacing and proration unit in the Burton Flat-Morrow Gas Pool, the Undesignated La Huerta-Strawn Gas Pool and the Undesig-nated La Huerta-Atoka Gas Pool and any other pool in this 314.84 spac-ing unit developed on 320acre spacing. Appli-cant proposes to direc-tionally drill the cant proposes to direc-tionally drill the Mewbourne Esperanza "19" Federal Com Well No. 2 from a non-sta-ndard surface ilocation

NOTICE OF PUBLICA-TION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RE-

SOURCES DEPART-

MENT

OIL CONSERVATION

DIVISION SANTA FE, NEW MEXI-CO

LEGAL NOTICE

599 feet from the North line and 2043 feet from the East line to a standard bottomhole location of 780 feet from the North line and 1463 feet from the West line of this section. The well will therefore be at a standard location in the Wolfcamp, Strawn, Atoka and Morrow formations. Applicant seeks authority to simultaneously dedicate the N/2 of Section 19 in the Morrow formation to its Esperanza well and to the Wynn-Crosby Energy, Inc. RGD Well No. 1 located in the NE/4 NE/4 of the Section and to simultaneously dedicate the N/2 of Section 19 in the Strawn, Atoka and other formations to its Esperanza Well and the Vernon E. Faulconer, Inc. Pioneer. Federal Com Well No. 1 located in the SW/4 NE/4 of Section 19. This unit is located approximately one mile northeast of Carlsbad, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 30th

New Mexico un day of June 2004 STATE OF NEW MEXICO OIL CONSERVATION DIVISION Mark E. Fesmire, P.E., Director

Published in the Artesia Daily Press, Artesia, N.M. July 2, 2004.

Legal 18519