



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

October 18, 2005

Mr. William F. Carr
Holland & Hart
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Based upon the reasons stated in your letter of October 16, 2005, and in accordance with the provisions of Division Order No. R-12411, Mewbourne Oil Company is hereby granted an extension of time until February 10, 2006, in which to commence the drilling of the well pooled by this order.

Sincerely,

Mark E. Fesmire, P.E.
Director

fd/

cc: ✓ Case No. 13519
OCD - Artesia



October 16, 2005

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HAND DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Oil Conservation Division Case No. ¹³⁵¹⁹~~12887~~: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Order No. R-12411.

Dear Mr. Fesmire;

In early September, 2005, the Division entered Order No. R-12411 which granted the application of Mewbourne Oil Company in the above-referenced case and pooled all uncommitted interests from the surface to the base of the Morrow formation underlying the W/2 of Section 21, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico in the following manner:

The W/2, forming a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320-acres within this vertical extent,

the NW/4, forming a standard 160-acre gas spacing and proration unit for all formations or pools spaced on 160-acre within this vertical extent, and

the NW/4 NW/4, forming a standard 40-acre spacing and proration unit for all formations or pools spaced on 40 acres within this vertical extent.

These pooled units are to be dedicated to the applicant's Pine Box "21" Federal Com Well No. 1 (API NO. 30-015-34104) which Mewbourne proposes to drill at a standard well location 1310 feet from the North and West lines (Unit D) of Section 21.



Order No. R-12411 provides that if the operator does not commence drilling the proposed well on or before November 10, 2005, the order shall be of no effect unless the operator obtains a time extension from the Division Director for good cause. Mewbourne plans to drill the Pine Box "21" Federal Well No. 1, but is encountering delays in obtaining a drilling rig that will make it impossible to commence drilling on or before November 10, 2005. As result, Mewbourne requests that the commencement of drilling provision in Order Paragraph 4 of Order No. R-12411 be extended through February 10th 2006.

Your attention to this request is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr".

William F. Carr
Attorney for Mewbourne Oil Company

cc: Paul Haden
Mewbourne Oil Company