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Case 15601

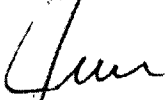
August 14, 2018

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Mewbourne Oil Company, are an application for compulsory pooling, together with a proposed advertisement. Please set the application for the September 20, 2018 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

PARTIES NOTIFIED

Black & Gold Resources, LLC
Suite 420
25025 IH 45
Spring, Texas 77380

Charles C. Albright, III, Trustee
Suite 8B
729 West 16th Street
Costa Mesa, California 92627

Landis Drilling Company
Address unknown

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MEWBOURNE OIL
COMPANY TO RE-OPEN CASE NO. 15601
FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.**

Case No. 15601 (Re-opened)

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W½E½ of Section 15, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

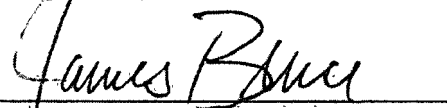
1. Applicant is an interest owner in the W½E½ of Section 15, and has the right to drill a well thereon.
2. Applicant proposes to drill its Pronghorn 15 B3BO Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation. Applicant seeks to dedicate the W½E½ of Section 15 to the well to form a 160 acre horizontal spacing unit. The well is a horizontal well, with a first take point in the NW¼NE¼, and a last take point in the SW¼SE¼, of Section 15.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Bone Spring formation in the W½E½ of Section 15 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation in the W½E½ of Section 15, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the $E\frac{1}{2}W\frac{1}{2}$ of Section 15;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No. 15601 (re-opened):

Application of Mewbourne Oil Company to re-open Case No. 15601 for compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Pronghorn 15 B3BO Fed. Com. Well No. 1H, a horizontal well with a first take point in the NW/4NE/4 and a last take point in the SW/4SE/4 of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 17-1/2 miles southwest of Oil Center, New Mexico.