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

IN THE MATTER OF THE APPLICATION OF MEWBOURNE OIL COMPANY FOR A NON-STANDARD SPACING AND PRORATION UNIT, UNORTHODOX WELL LOCATION, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 14603

<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, 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.

William F. Carr

SUBCRIBED AND SWORN to before me this 2nd day of March 2011 by William F. Carr.

Notary Public

My Commission Expires: 3-10-12

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Consolidated Case No's 14603 & 14604
Exhibit No. 5
Submitted by:
MEWBOURNE OIL COMPANY
Hearing Date: March 3, 2011



EXHIBIT A

APPLICATION OF
MEWBOURNE OIL COMAPNY
FOR A NON-STANDARD SPACING AND PRORATION UNIT,
UNORTHODOX WELL LOCATION AND
COMPULSORY POOLING
E/2 W/2 OF SECTION 6, TOWNSHIP 20 SOUTH, RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO.
[Ruger "6" Federal Com 5H Well]

NOTIFICATION LIST

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Attn: Mr. Chuck Moran

Devon Energy Production Company, LP 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102 Attn: Mr. Ken Gray

Affidavit of Publication

| NO. | 2153 |
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| | |

STATE OF NEW MEXICO

| Count | y o | t Ec | ldy: |
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|-------|-----|------|------|

Walter L. Green Walter L. Green

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 state, and that the hereto 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

| 11 | _Consecutive | weeks/days on the same |
|------------|--------------|------------------------|
| day as fol | lows: | |

First Publication

February 8, 2011

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

8th

day of F

February

2011

Danny Scott NOTARY PUBLIC-STATE OF NEW MEXICO

3/18/20

My commission expires:

118/2019

Danny Scott

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

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

The State of New Mexico through its Oil Conservation Division hereby gives notic pursuant to law and the Rules and Regulations of the Division of the following publi hearing to be held at 8.15 Å M. on March 3, 2011. In the Oil Conservation Division Hearing Room at 1220 South St. Francis: Santa Fe New Mexico before an examine duly appoint for the hearing. If you are an individual with a disability who is in nee of a reader, amplifier qualified sign language interpreter, or any other form of auxiliar aid or service to attend or participate in the hearing, please contact. Florene Davidso at 505-476-3458 or through the New Mexico Relay Network 1, 800-659-1779 by February 21, 2011. Public documents including the agenda and minutes, can be provide in various accessible forms. Please contact Florene Davidson if a summary or othe 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 the rese

and notice to the public → ()
(NOTE: All land descriptions herein refer to the New Mexico Principal Mendians
whether or not so stated.)

CASE <u>14603:</u>

Application of Mewbourne Oil Company for a non-standard spacing and proration unit unorthodox well location, and compulsory pooling, Eddy County, New Mexico. Applicant in the above styled cause seeks an order creating a non-standard spacing unit comprised of the E/2 W/2 of Section 6. Township 20 South, Range 29 East, NMPM, and pooling all mineral interests in the Bone Spring formation. Winchester Bone Spring Pool, in this non-standard spacing and proration unit which spacing unit will be the project area for its proposed Ruger 6. Federal Com No. 5H Well (APL Nos. 30.015, 37.199) to be horizontally drilled from a surface location 150 feet from the North line and 1400 feet from the West line of said Section 6 and then in a southerly direction in the third sand interval of the Bone Spring formation, to a bottom hole terminus at a location 330 feet from the South line and 1400 feet from the West line of said Section 6. This well will penetrate the Bone Spring formation at an unorthodox location 150 feet from the North line and 1400 feet from the West line of Section 6. however the producing interval in the well bore is within the well's producing area. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision designation of Mewbourne Oil Company as operator of the well and/a charge for risk involved in drilling said well. Said area is located approximately 12 miles northeast of Carlsbad. New Mexicos.

Given under the Seal of the State of New Mexico Oil Conservation Division at Santa Fe. New Mexico on this 3rd day of February 2011

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Daniel Sanchez Acting Director Published in the Artesia Daily Press; Artesia N.M. February 8, 2011 Legal No 21538



February 1, 2011

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: Application of Mewbourne Oil Company for a non-standard spacing and proration unit, unorthodox well location, and compulsory pooling, 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 order (1) creating a non-standard spacing unit comprised of the E/2 W/2 of Section 6, Township 20 South, Range 29 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation, in this non-standard spacing and proration unit which spacing unit will be the project area for its proposed Ruger "6" Federal Com No. 5H Well (API No. 30-015-37199) to be horizontally drilled from a surface location 150 feet from the North line and 1400 feet from the West line of said Section 6 and then in a southerly direction in the third sand interval of the Bone Spring formation, to a bottom hole terminus at a location 330 feet from the South line and 1400 feet from the West line of said Section 6. This well will penetrate the Bone Spring formation at an unorthodox location 150 feet from the North line and 1400 feet from the West line of Section 6, however, the producing interval in the wellbore is within the well's "producing area."

This application has been set for hearing before a Division Examiner at 8:15 AM on March 3, 2011. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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, four days in advance of a scheduled hearing, but at least on the Thursday preceding the 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.

very truly yours

William F. Carr

cc: Mr. D. Paul Haden

Senior Landman

Mewbourne Oil Company

U.S. Postal Servicem
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.come

For delivery information visit our website at www.usps.come

Certified Fee
Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$ 5.71

Yates Petroleum Corporation

Attn: Chuck Moran
105 South Fourth Street
Artesia, New Mexico 88210

| SENDER: COM-LETE THIS SECTION | HINDER BILL FO HENDILS BOYTH COMPLETE THIS SECTION ON DELIVERY | |
|--|--|--|
| 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. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. Land Pria 2-7-1/ D. Is delivery address different from item 1? Yes | |
| 1. Article Addressed to: Yates Petroleum Corporation Attn: Chuck Moran | If YES, enter delivery address below: | |
| 105 South Fourth Street Artesia, New Mexico 88210 | 3. Service Type Certified Mail | |
| 2. Article Number (Transfer from service label) 7006 016 | DD 0005 0625 2769 | |
| PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540 | | |



