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May 14, 1990

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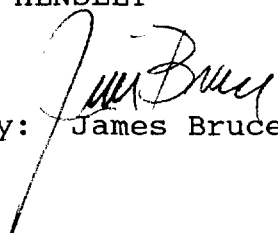
Florene Davidson  
New Mexico Oil Conservation  
Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Dear Florene:

Enclosed are an original and two copies of a compulsory pooling Application filed on behalf of Mewbourne Oil Company. Please set this matter for the June 13, 1990 hearing.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By:  James Bruce

JB:le  
Enclosures

9961

1990 JUN 13 11 05 AM

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL )  
COMPANY FOR COMPULSORY POOLING, )  
EDDY COUNTY, NEW MEXICO. )  
\_\_\_\_\_)

No. 9961

APPLICATION

Mewbourne Oil Company hereby makes application for an order pooling all interests from the surface to the base of the Morrow formation underlying the E $\frac{1}{2}$  of Section 18, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Applicant is a working interest owner in the E $\frac{1}{2}$  of said Section 18.

2. Applicant proposes to drill its Federal "U" Well No. 1 in the E $\frac{1}{2}$  of Section 18, at an orthodox location, to a depth sufficient to test the Morrow formation (approximately 9,200 feet), and seeks to dedicate the E $\frac{1}{2}$  of Section 18 for all pools or formations spaced on 320 acres.

3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the E $\frac{1}{2}$  of Section 18 for the purpose set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks an order pooling all mineral and

leasehold interest owners underlying the E $\frac{1}{2}$  of Section 18 pursuant to N.M. Stat. Ann. ¶70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

6. The pooling of all interests underlying the E $\frac{1}{2}$  of Section 18, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the June 13, 1990 Examiner hearing.

WHEREFORE, Applicant requests that the Division grant the relief requested above.

Dated: May 14, 1990.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

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