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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

No. 10244

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 N $\frac{1}{2}$ of Section 14, Township 17 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the N $\frac{1}{2}$ of said Section 14.

2. Applicant proposes to drill its Haldeman No. 1 Well in the N $\frac{1}{2}$ of Section 14, at an unorthodox location 1980 feet from the North line and 660 feet from the West line of the Section, to a depth sufficient to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The N $\frac{1}{2}$ of Section 14 for all pools or formations spaced on 320 acres;

(b) The NW $\frac{1}{4}$ of Section 14 for all pools or formations spaced on 160 acres;

(c) The S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 14 for all pools or formations spaced on 80 acres; and

(d) The SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14 for all pools or formations spaced on 40 acres.

3. The unorthodox location for the subject well was approved by Division Order No. R-9417.

4. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the $N\frac{1}{2}$ of Section 14 for the purposes set forth herein.

5. 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 failed or refused to join in dedicating their acreage. Therefore, Applicant seeks an order pooling all mineral and leasehold interest owners underlying the $N\frac{1}{2}$ of Section 14, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

6. 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.

7. The pooling of all interests underlying the $N\frac{1}{2}$ of Section 14, as described above, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

Dated: 1/25/91.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &
HENSLEY

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