

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF MEWBOURNE OIL COMPANY FOR  
COMPULSORY POOLING AND AN  
UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 10966

**APPLICATION**

MEWBOURNE OIL COMPANY, through its undersigned attorneys, hereby makes application to the Oil Conservation Division pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978), for an order pooling all of the mineral interests in the S/2 for all formations developed on 320-acre spacing, the SE/4 for all formations developed on 160-acre spacing, the E/2 SE/4 for all formations developed on 80-acre spacing and the NE/4 SE/4 for all formations developed on 40-acre spacing of Section 20, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Mewbourne has the right to drill its Chalk Bluff Draw Prospect Illinois Camp "20" State No. 2 Well at an unorthodox gas well location 1650 feet from the South line and 990 feet from the East line of Section 20, and drill to a depth of approximately 10,700 feet, more or less, to test any and all formations from 500 feet below the top of the San Andres formation to the base of the Morrow formation, North Illinois Camp-Morrow Gas Pool.

2. Mewbourne has sought and been unable to obtain either a voluntary agreement for pooling or farmout to the base of the Morrow formation, North Illinois Camp-Morrow Gas Pool.

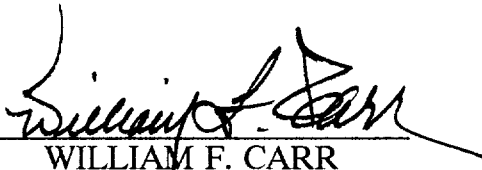
3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

4. In order to permit Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Mewbourne should be designated the operator of the well to be drilled.

WHEREFORE, Mewbourne Oil Company requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 28, 1994, and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating Mewbourne Oil Company operator of the well and spacing unit, authorizing Mewbourne to recover its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by Mewbourne in drilling, completing and equipping the well.

Respectfully submitted,

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& SHERIDAN, P.A.

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