

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

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

Case No. _____

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company (“Mewbourne”) applies for an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2S/2 of Section 13, Township 19 South, Range 28 East and the S/2SW/4 of Section 18, Township 19 South, Range 29 East, in Eddy County, New Mexico (“Unit”). In support of its application, Mewbourne states:

1. Mewbourne (OGRID No. 14744) is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the Rattlesnake 13/18 B3MN State Com #1H well, which will be horizontally drilled from a surface location in Unit L of Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit N of Section 18, Township 19 South, Range 29 East.
3. The completed interval of the well will be orthodox.
4. Mewbourne has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well but has been unable to obtain voluntary agreements from all of the mineral interest owners.
5. The pooling of all uncommitted mineral interests in the Unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, Mewbourne requests that this application be set for hearing on June 3, 2021 and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the well in the Unit;
- C. Designating Mewbourne as operator of the Unit and the well to be drilled thereon;
- D. Authorizing Mewbourne to recover its costs of drilling, equipping and completing the well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Mewbourne in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully Submitted,

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