

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

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

CASE NO. _____

APPLICATION

Mewbourne Oil Company (“Mewbourne” or “Applicant”) (OGRID No. 14744), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling a non-standard 1,909.60-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying all of Sections 25 and 26, Township 22 South, Range 26 East, and Lots 1-4, E/2W/2, and E/2 (all) of Section 30, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Mewbourne states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells to be horizontally drilled from a surface location in the SE4 of Section 27:

- **Runway 26/30 Fed Com 521H** with a first take point in the NW4NW4 (Unit D) of Section 26 and a last take point in NE4NE4 (Unit A) of Section 30,
- **Runway 26/30 Fed Com 523H** with a first take point in the SW4NW4 (Unit E) of Section 26 and a last take point in SE4NE4 (Unit H) of Section 30,

- **Runway 26/30 Fed Com 525H** with a first take point in the NW4SW4 (Unit L) of Section 26 and a last take point in the NE4SE4 (Unit I) of Section 30, and
- **Runway 26/30 Fed Com 527H** with a first take point in the SW4SW4 (Unit M) of Section 26 and a last take point in the SE4SE4 (Unit P) of Section 30.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

4. The pooling of uncommitted mineral owners in the proposed spacing unit will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 10, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the proposed spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. 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
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR MEWBOURNE OIL COMPANY

CASE _____: **Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a non-standard 1,909.60-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying all of Sections 25 and 26, Township 22 South, Range 26 East, and Lots 1-4, E/2W/2, and the E/2 (all) of Section 30, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the following proposed wells to be horizontally drilled from a surface location in the SE4 of Section 27:

- **Runway 26/30 Fed Com 521H** with a first take point in the NW4NW4 (Unit D) of Section 26 and a last take point in NE4NE4 (Unit A) of Section 30,
- **Runway 26/30 Fed Com 523H** with a first take point in the SW4NW4 (Unit E) of Section 26 and a last take point in SE4NE4 (Unit H) of Section 30,
- **Runway 26/30 Fed Com 525H** with a first take point in the NW4SW4 (Unit L) of Section 26 and a last take point in the NE4SE4 (Unit I) of Section 30, and
- **Runway 26/30 Fed Com 527H** with a first take point in the SW4SW4 (Unit M) of Section 26 and a last take point in the SE4SE4 (Unit P) of Section 30.

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately three (3) miles south of Carlsbad, New Mexico.