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November 13, 2012

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 RECEIVED OCD

2012 NOV 13 P 2: 12

Case 14941

## Dear Florene:

Enclosed for filing, on behalf of Mewbourne Oil Company, are an original and one copy of an application for compulsory pooling, *etc.*, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set the application for the December 13, 2012 Examiner hearing. Thank you.

Very truly yours,

Attorney for Mewbourne Oil Company

## Parties Being Pooled

Legacy Reserves Operating LP Dale A. Brown Cary D. Brown Suite 1400 303 West Wall Street Midland, Texas 79701

Francis Hill Hudson, Trustee of Lindy's Living Trust Suite 302 4200 South Hulen Fort Worth, Texas 76109

Bank of America, N.A., Trustee of the Delmar Hudson Lewis Living Trust P.O. Box 2546 Fort Worth, Texas 76113

## PROPOSED ADVERTISEMENT

Case No. 1494]:

Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2N/2 of Section 15, Township 18 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the NE/4NE/4 of Section 15 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2N/2 of Section 15 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Tamano 15 AD Fed. Com. Well No. 1, a horizontal well with a surface location in the NE/4NE/4, and a terminus in the NW/4NW/4, of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 8 miles east-southeast of Loco Hills, New Mexico.