JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

April 29, 2013

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

Dear Florene:

Enclosed for filing, on behalf of Mewbourne Oil Company, are an original and one copy of anapplication to abolish pool rules, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set the application for the May 30, 2013 Examiner hearing. Thank you.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

RECEIVED OCD

2013 APR 29 P 4: 22

Case 14991

Parties Being Notified

Kaiser-Francis Oil Company P.O. Box 21468 Tulsa, OK 74121-1468 Attn: Mr. Wayne Fields

Mr. Roy E. Kimsey, Jr. 505 N. Big Spring St., Suite 502 Midland, TX 79701-4370

OXY USA WTP Limited Partnership P.O. Box 4294 Houston, TX 77210-4294 Attn: Mr. Chris Gertson

Range Operating New Mexico LLC 100 Throckmorton St., Suite 1200 Fort Worth, TX 76102 Attn: Mr. Robert Ebeier

RKI Exploration & Production LLC 3817 NW Expressway, Suite 950 Oklahoma City, OK 73112 Attn: Mr. Cody Reid

Yates Petroleum Corporation 105 South 4th Street Artesia, NM 88210-2122 Attn: Janet Richardson BTA Oil Producers, LLC 104 South Pecos Midland, TX 79701-5021 Attn: Mr. Willis D. Price, III

Chevron MidContinent, LP P.O. Box 2100 Houston, TX 77252 Attn: Mr. Kevin Stubbs

COG Operating LLC One Concho Center 600 West Illinois Midland, TX 79701 Attn: Jan Spradlin

Devon Energy Corporation 333 West Sheridan Ave. Oklahoma City, OK 73102 Attn: Mr. Ken Gray

SOUTH CULEBRA BLUFF-BONE SPRING POOL Eddy County, New Mexico

Order No. R-6139, October 12, 1979, Establishing Pool, as Amended by Order No. R-6328, May 1, 1980; Order No. R-6476, October 1, 1980; Order No. R-6542, January 1, 1981; Order No. R-6623, April 1, 1981; Order No. R-6724, August 1, 1981; Order No. R-6810, November 1, 1981; Order No. R-6876, January 1, 1982; Order No. R-6912, March 1, 1982; Order No. R-7131, December 1, 1982; Order No. R-7248, April 1, 1983; Order No. R-7351, October 1, 1983; Order No. R-9326, November 1, 1990; Order No. R-9625, February 1, 1992; Order No. R-9668, May 1, 1992; Order No. R-9963, October 1, 1993; Order No. R-10568, April 1, 1996.

T-22-S, R-28-E S/2 Sec. 34; W/2 Sec. 35. T-23-S, R-28-E Secs. 2, 11, 13 through 16; NE/4 Sec. 21; NE/4 Sec. 22; Secs. 23 through 27; E/2 Sec. 28. T-23-S, R-29-E SW/4 Sec. 7; NW/4 Sec. 18.

NORTH GRAMA RIDGE-MORROW GAS POOL Lea County, New Mexico

Order No. R-6169, November 1, 1979, Establishing Pool.

T-21-S, R-34-E S/2 Sec. 28.

SOUTHWEST INDIAN FLATS-MORROW GAS POOL Eddy County, New Mexico

Order No. R-6170, November 1, 1979, Establishing Pool, as Amended by Order No. R-6420, August 1, 1980; Order No. R-6890, February 1, 1982.

T-22-S, R-28-E Secs. 9, 10.

SOUTH KEMNITZ ATOKA-MORROW GAS POOL Lea County, New Mexico

Order No. R-6170, November 1, 1979, Establishing Pool, as Amended by Order No. R-6368, July 1, 1980; Order No. R-6698, June 1, 1981; Order No. R-6923, April 1, 1982; Order No. R-7009, July 1, 1982; Order No. R-7114, November 1, 1982; Order No. R-7193, February 1, 1983; Order No. R-7222, March 1, 1983; Order No. R-7248, April 1, 1983; Order No. R-7372, November 1, 1983; Order No. R-7502, May 1, 1984; Order No. R-11475, November 1, 2000; Order No. R-12387, July 1, 2005; Order No. R-12531, April 1, 2006.

T-16-S, R-33-E N/2 Sec. 25. T-16-S, R-34-E S/2, NW/4 Sec. 18; NE/4, S/2 Sec. 19; W/2 Sec. 20; S/2 Sec. 21; W/2 Sec. 26; Secs. 27 through 30; N/2 Sec. 32.

EAST SIOUX TANSILL-YATES GAS POOL Lea County, New Mexico

Order No. R-6169, November 1, 1979, Establishing Pool.

T-26-S, R-36-E NE/4 Sec. 10.

RED HILLS-DEVONIAN GAS POOL Lea County, New Mexico

Order No. R-6183, November 28, 1979, Establishing Pool, as Amended by Order No. R-7396, December 1, 1983.

T-25-S, R-33-E S/2 Sec. 22; Sec. 27, 28, 32, 33. T-26-S, R-33-E Sec. 5.

AIRSTRIP-LOWER BONE SPRING POOL Lea County, New Mexico

Order No. R-6255, February 1, 1980, Establishing Pool, as Amended by Order No. R-6328, May 1, 1980; Order No. R-6476, October 1, 1980; Order No. R-6536, December 1, 1980.

Order No. R-6255-A, July 1, 1984, rescinded Order No. R-6255 and consolidated the Air Strip-Lower Bone Spring and Air Strip-Upper Bone Spring Pools into the Air Strip-Bone Spring Pool.

WEST DOUBLE X-MORROW GAS POOL Lea County, New Mexico

Order No. R-6211, January 1, 1980, Establishing Pool.

T-24-S, R-32-E E/2 Sec. 30.

DUBLIN RANCH-ATOKA GAS POOL Eddy County, New Mexico

Order No. R-6211, January 1, 1980, Establishing Pool, as Amended by Order No. R-6623, April 1, 1981; Order No. R-6698, June 1, 1981; Order No. R-6724, August 1, 1981; Order No. R-7372, November 1, 1983; Order No. R-7419, January 1, 1984; Order No. R-7758, January 1, 1985; Order No. R-10324, April 1, 1995; Order No. 12732, April 1, 2007.

T-22-S, R-28-E SW/4 Sec. 15; SE/4 Sec. 16; E/2 Sec. 21; S/2 Sec. 22; N/2 Sec. 26; Secs. 27, 28, 33, 34; W/2 Sec. 35.

GEM-MORROW GAS POOL Lea County, New Mexico

Order No. R-6211, January 1, 1980, Establishing Pool, as Amended by Order No. R-6420, August 1, 1980; Order No. R-6724, August 1, 1981; Order No. R-6876, January 1, 1982; Order No. R-6890, February 1, 1982; Order No. R-7307, July 1, 1983; Order No. R-7322, August 1, 1983; Order No. R-7996, August 1, 1985; Order No. R-8041, October 1, 1985; Order No. R-8233, June 1, 1986; Order No. R-9271, September 1, 1990; Order No. R-9472, April 1, 1991; Order No. R-10303, February 1, 1995; Order No. R-1116, January 1, 1999; Order No. R-11243, October 1, 1999; Order No. R-11304, February 1, 2000; Order No. R-11533, January 1, 2001; Order No. R-11818, September 1, 2002; Order No. R-12387, July 1, 2005.

T-19-S, R-32-E E/2 Sec. 24; E/2 Sec. 25; E/2 Sec. 36. T-19-S, R-33-E W/2 Sec. 16; S/2 Sec. 17; S/2 Sec. 19; S/2, NE/4 Sec. 20; Sec. 21; N/2 Sec. 22; Secs. 28 through 32.

EAST GEM-MORROW GAS POOL Lea County, New Mexico

Order No. R-6211, January 1, 1980, Establishing Pool, as Amended by Order No. R-6328, May 1, 1980; Order No. R-7114, November 1, 1982; Order No. R-8533, November 1, 1987; Order No. R-9038, December 1, 1989; Order No. R-9194, June 1, 1990; Order No. R-9345, November1, 1990; Order No. R-9447, March 1, 1991; Order No. R-9472, April 1, 1991; Order No. R-11183, June 1, 1999; Order No. R-11243, October 1, 1999; Order No. R-11533, January 1, 2001; Order No. R-12531, April 1, 2006.

T-19-S, R-33-E Sec. 14; S/2, NW/4 Sec. 23; Sec. 25, 26, 34, 35.
T-20-S, R-33-E Sec. 2; N/2 Sec. 3.

HALFWAY-ATOKA GAS POOL Lea County, New Mexico

Order No. R-6211, January 1, 1980, Establishing Pool.

T-20-S, R-33-E E/2 Sec. 27.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED OCD

APPLICATION OF MEWBOURNE OIL COMPANY TO ABOLISH THE SPECIAL RULES AND REGULATIONS FOR THE SOUTH CULEBRA BLUFF-BONE SPRING POOL, EDDY COUNTY, NEW MEXICO.

2013 APR 29 P 4: 22

APPLICATION

Mewbourne Oil Company applies for an order abolishing the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, Eddy County, New Mexico, and in support thereof, states:

1. The South Culebra Bluff-Bone Spring Pool was created by Division Order R-6139, and currently includes the following acreage:

Township 22 South, Range 28 East, N.M.P.M.

Section 34:

S/2

Section 35:

W/2

Township 23 South, Range 28 East, N.M.P.M.

Section 2:

All

Section 11:

All

Sections 13-16:

All

Section 21:

NE/4

Section 22:

NE/4

Sections 23-27:

All

Section 28:

E/2

Township 23 South, Range 29 East, N.M.P.M.

Section 7:

SW/4

Section 18:

NW/4

2. Division Order R-6139 also established Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, providing for 80 acre spacing, wells to be located within 150 feet of the center of a quarter-quarter section or lot, and a depth bracket allowable of 222 barrels of oil per day.

- 3. Applicant is an operator in the South Culebra Bluff-Bone Spring Pool.
- 4. Applicant requests that the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool be abolished, and that the pool be governed in the future by the Division's statewide rules.
- 5. Applicant requests that all existing 80 acre well units be grandfathered in, unless an operator desires to change spacing for a well unit.
 - 6. Approval of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

James Bruce

Post Office Box 1056

Sahta Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No.	 14	99	1	:
Case No.	 <u> </u>	<u>77</u>		•

Application of Mewbourne Company to abolish the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, Eddy County, New Mexico. The South Culebra Bluff-Bone Spring Pool was created by Division Order R-6139, and currently includes the following acreage:

Township 22 South, Range 28 East, N.M.P.M.

Section 34:

S/2

Section 35:

W/2

Township 23 South, Range 28 East, N.M.P.M.

Section 2:

All

Section 11:

All

Sections 13-16:

All

Section 21:

NE/4

Section 21.

NE/4

Sections 23-27:

All

Section 28:

7111

Section 20.

E/2

Township 23 South, Range 29 East, N.M.P.M.

Section 7:

SW/4

Section 18:

NW/4

Division Order R-6139 also established Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, providing for 80 acre spacing, wells to be located within 150 feet of the center of a quarter-quarter section or lot, and a depth bracket allowable of 222 barrels of oil per day. Applicant requests that the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool be abolished, so that the pool will be governed by the Division's statewide rules, with the exception that existing 80 acre well units be grandfathered in. The South Culebra Bluff-Bone Spring Pool is centered approximately 3 miles northeast of Loving, New Mexico.

RECEIVED OUD

MILLIANS 29 P # 22