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August 20, 2013

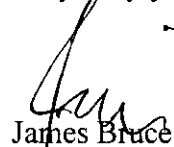
Case 15042

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 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 September 19, 2013 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

Parties Being Pooled

PMC 1990-WI Acquisition Limited Partnership;
PMC 1990-EQ Acquisition Limited Partnership;
Wesson 1990-WI Acquisition Limited Partnership;
Province Energy Company;
L. Frank Pitts, d/b/a Pitts Oil Company;
Thomas H. Yates, Jr. and
Mark Seaman
4600 Greenville Avenue, Suite 160
Dallas, Texas 75206

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

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Case No. 15042

APPLICATION

Mewbourne Oil Company applies for an order (i) approving a non-standard oil spacing and proration unit in the Yeso formation comprised of the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 7, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (ii) pooling all mineral interests in the Yeso formation underlying the non-standard unit, and in support thereof, states:

1. Applicant is an interest owner in the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 7, and has the right to drill a well thereon.
2. Applicant proposes to drill its Peterson 7 IL Fed. Com. Well No. 1 to a depth sufficient to test the Yeso formation. Applicant seeks to dedicate the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 23 to the well to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing. The well is a horizontal well, with a surface location 1795 feet from the south line and 150 feet from the west line of adjoining Section 8, and a terminus 1795 feet from the south line and 330 feet from the west line of Section 7.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 7 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests.

Therefore, applicant seeks an order pooling all mineral interest owners in the N½S½ of Section 7, pursuant to NMSA 1978 §§70-2-17, 18.

5. Approval of the non-standard unit and the pooling of all mineral interests underlying the N½S½ of Section 7 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Approving a non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the N½S½ of Section 7;
- B. Pooling all mineral interests in the Yeso formation underlying the N½S½ of Section 7; and
- C. Designating applicant as operator of the well.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No. 15042 :

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 a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the N/2S/2 of Section 7, Township 18 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Peterson 7 IL Fed. Com. Well No. 1, a horizontal well with a surface location 1795 feet from the south line and 150 feet from the west line of adjoining Section 8, and a terminus 1795 feet from the south line and 330 feet from the west line of Section 7. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 4-1/2 miles east of Atoka, New Mexico.

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