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February 17, 2017

Case 15274

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

Dear Florenc:

Enclosed for filing, on behalf of Mewbourne Oil Company, are an application for compulsory pooling, etc., together with a proposed advertisement. Please set the application for the March 19, 2015 Examiner hearing. Thank you.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

Parties Being Pooled

Anna Pauline Swearingen 512 Cedar Street Concordia, Kansas 66901

Sheryl and Craig Collins, husband and wife 3209 SW Belle Ave.
Topeka, Kansas 66614

Sheryl Collins, dealing in her sole and separate property 3209 SW Belle Avc.
Topeka, Kansas 66614

Terry A. White and Carla K. White, Trustees
Of the Terry A. White and Carla K. White Trust dated 5-7-2014
P.O. Box 27
Tunkawa, Oklahoma 74653

James A. Collier, III P.O. Box 63 Elgin, Oklahoma 73538

Gregory Collier
Address Unknown

Richard Allen Swearingen 3444 NE Happy Hollow Road Topeka, Kansas 66617-3529

Melvin Rogers 3104 E. Broadway, Space 108 Mesa, Arizona 85204

Darlene Pearson a/k/a Liana Darlene Pearson 1107 Oakmont Street Hays, Kansas 67601-1823

Norma Gupton, DSSP 1902 Moody Court Arlington, Texas 76102-2034

Ronald Rogers 19955 Indian Summer Lane Monument, Colorado 80132-9414 Marilyn Denkert 1330 S. 156th Court, Apt. 108. Omaha, Nebraska 68130-2575

Seniors Center of Kenesaw, Nebraska 110 W. Maple Avenue Kenesaw, Nebraska 68956

American Legion of Kenesaw, Nebraska P.O. Box 29 Kenesaw, Nebraska 68956

Cemetery Association of Kenesaw, Nebraska Address Unknown

Hastings College 710 Turner Avenue Hastings, Nebraska 68901

Rescue Unit c/o City of Hastings Fire and Rescue 1313 North Hastings Avenue Hastings, Nebraska 69801

Marvin L. Lundblade 527 E. Clackamas Circle Woodburn, Oregon 97071-4409

Julie J. Martin P.O. Box 10911 Southport, North Carolina 28461

John A. Brown 3669 Seneca Circle Las Vegas, Nevada 89109

Peggy Sue Lawson 18395 W. FM 2790 Lytle, Texas 78052

Tiffany Gunther, DSSP 16702 East 49th Place Tulsa, Oklahoma 74134 Dale M. Richardson, DSSP 5093 E. Highway 62 Gainsville, Texas 76240

Linda Richardson, a widow 13363 E Asbury Drive, Apt. 104 Aurora, Colorado 80014-6551

Harry T. Richardson, DSSP 13363 E Asbury Drive, Apt. 104 Aurora, Colorado 80014-6551

Robert D. Richardson, DSSP 13363 E Asbury Drive, Apt. 104 Aurora, Colorado 80014-6551

Estate of Flora Ruiz, Deceased P.O. Box 111 Malaga, New Mexico 88263 Attn: Harvey G. Ruiz

Anastacia R. Blanco 430 Hillview Drive, Apt. 202 Linthicum Heights, Maryland 21090-3814

Bill C. Ruiz 41718 Sultana Road. Sultana, California 93666

Harvey G. Ruiz P.O. Box 111 Malaga, New Mexico 88263

Lee Ann Voss Ruiz Address Unknown

Joshua Lee Ruiz Address Unknown

John Erby Ruiz P.O. Box 111 Malaga, New Mexico 88263

John Bill Ruiz, DSSP P.O. Box 161 Sultana, California 93666 Dela Inez Masterpolito, DSSP 1720 E. Monte Vista Road, Apt. 101 Phoenix, Arizona 85006-1973

Erma Lee Garcia 121 S. Quintana Dr. Anaheim Hills, California 92807

Mary Jane Ruiz, DSSP 758 Shaw Avenue, #20 Clovis, California 93612-3216

Michael Kyle Leonard Child's Trust Attn: Michael Kyle Leonard, Trustee P.O. Box 2625 Eagle Pass, Texas 78853

Boys Club of America 1275 Peachtree Street NE Atlanta, Georgia 30309-3506

Mary Camille Hall 3812 Tailfeather Drive Round Rock, Texas 78681

Virginia Lee Davis P.O. Box 1065 Carlsbad, New Mexico 88221

LBD, a Limited Partnership P.O. Box 686 Hobbs, New Mexico 88240

Irma J. Gregory, Personal Representative of The Estate of Bonnie R. Gregory 14 Cork Street Alva, Florida 33920

Irma J. Gregory, Individually 14 Cork Street Alva, Florida 33920

Thomas W. Gregory 1705 Black Gold St., SE Albuquerque, New Mexico 87123 William E. Gregory
11910 Central Ave., SE, Suite B
Albuquerque, New Mexico 87123

Estate of Stanley J. Gregory 608 Lakeside Drive Carlsbad, New Mexico 88220 Attn: Kathy Gregory

Clarence W. Ervin 4016 Jones Street Carlsbad, New Mexico 88220

Brian L. McGonagill and wife, Shirley C. 1612 Westridge Road Carlsbad, New Mexico 88220 Chasity Garza 1410 E. Broadway Brownfield, Texas 79316

Mary Jo Beeman Dickerson P.O. Box 642 Glenpool, Oklahoma 74033

Panagopoulos Enterprises 511 W. Reinken Ave. Belen, New Mexico 87002

Klipstine & Hanratty 1601 N. Turner, Suite 400 Hobbs, New Mexico 88240

John E. Hall, III Address Unknown

Nevill Manning 2112 Indiana Lubbock, Texas 79410

Nolan Greak 8008 Slide Road, Suite #33 Lubbock, Texas 79424

Louis M. Ratliff and Mary D. Ratliff, his wife 8 Firwood Court The Hills, Texas 78738

Eland Energy, Inc. 16400 Dallas Parkway, Suite 100 Dallas, Texas 75248

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

Case No. 15274

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying lots 3, 4, S½NW¼, and SW¼ (the W½) of Section 3, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and approving an unorthodox well location, and in support thereof, states:

- 1. Applicant is an interest owner in the $W\frac{1}{2}$ of Section 3, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Yardbirds 3 W2DM Fee Well No. 1H to a depth sufficient to test the Wolfcamp formation. Applicant seeks to dedicate to the W½ of Section 3 to the well to form a standard 319.21 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The well is a horizontal well with a surface location 175 feet from the north line and 1070 feet from the west line, and a terminus 330 feet from the south line and 530 feet from the west line, of Section 3. The beginning and end of the producing interval will be unorthodox under the rules governing the South Culebra Bluff-Wolfcamp Gas Pool.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W½ of Section 3 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 W½ of Section 3, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the W½ of Section 3, and approval of the unorthodox well location, 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. Pooling all mineral interests in the Wolfcamp formation underlying the W½ of Section 3;
- B. Approving the unorthodox well location;
- C. Designating applicant as operator of the well;
- D. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners:
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 3, Township 24 South, Range 28 East, NMPM, to form a standard 319.21 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Yardbirds 3 W2DM Fee Well No. 1H, a horizontal well with a surface location 175 feet from the north line and 1070 feet from the west line, and a terminus 330 feet from the south line and 530 feet from the west line, of Section 3. The beginning and end of the producing interval will be unorthodox. 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 unit is located approximately 1-1/2 miles north-northwest of Malaga, New Mexico.

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