PROPOSED ADVERTISEMENT

Case No. 15407: (Readvertised)

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 Bone Spring formation comprised of the S/2S/2 of Section 31, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2S/2 of Section 31 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Pavo Macho 31 B2MP Fed. Well No. 1H, a horizontal well with a surface location in the SW/4SW/4, and a terminus in the SE/4SE/4, of Section 31. 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 11-1/2 miles southwest of Loco Hills, New Mexico.