#### JAMES BRUCE ATTORNEY AT LAW

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June 21, 2016

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

2016 JUN 21 P 3: 00

Case 155/0

## Dear Florene:

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 July 21, 2016 Examiner hearing. Thank you.

Very truly yours.

James Bruce

Attorney for Mewbourne Oil Company

## Parties Being Notified

Maria H. Vasquez, a single woman Address Unknown

Esperanza F. Larez 4701 Adobe Carlsbad, New Mexico 88220

Robert Chavez and wife, Elodia Chavez, as Joint Tenants 1410 W. Lea Street Carlsbad, New Mexico 88256

Manuela Franco, a widow and d/b/a HV Franco, Minerals 1867 Pecos Highway Loving, New Mexico 88256

Celia F. Hougland, as separate property P.O. Box 1286 Loving, New Mexico 88256

George O. Stribling, Personal Representative of the Estate of Martha Stribling, Deceased 6818 Academy Parkway West NE Albuquerque, New Mexico 87109

The Trustee of a trust created by Martha Stribling dated 9-24-1996 P.O. Box 95557 Albuquerque, New Mexico 87199

T.B. Stribling, III as Successor Trustee of the Martha G. Stribling Irrevocable Trust P.O. Box 95557
Albuquerque, New Mexico 87199

George O. Stribling 6818 Academy Parkway West NE Albuquerque, New Mexico 87109

Martha J. Stribling 6818 Academy Parkway West NE Albuquerque, New Mexico 87109

Thomas B. Stribling, Trustee for Thomas Luke Stribling Trust 75 Circle Drive NE Albuquerque, New Mexico 87122

George O. Stribling, Trustee for Margaret Stribling, Robert Cain and Salem Stribling 6818 Academy Parkway West NE Albuquerque, New Mexico 87109

John D. Stribling 6818 Academy Parkway West NE Albuquerque, New Mexico 87109

Chasity Garza 1410 E. Broadway Brownfield, Texas 79316

Pamela Ray Cummings P.O. Box 817 Panhandle, Texas 797068

Patricia Gae Stamps P.O. Box 249 Panhandle, Texas 79068

The Heirs or Devisees of John W. Osborn, Deceased P.O. Box 419
Tipton, Oklahoma 76570

Geneva Floyd Osborn 500 N. Broadway Tipton, Oklahoma 73570

Joel W. Osborn 2420 South Joplin Avenue Tulsa, Oklahoma 74114

Heather O. Ward P.O. Box 538 Roscoe, Texas 79545

) Sue Osborn Powell899 Hedgewood DriveGeorgetown, Texas 78620

Mary Camille Hall 3812 Tailfeather Drive Round Rock, Texas 78681

Irma J. Gregory 14 Cork Street Alva, Florida 33920

Tommy W. Gregory 1705 Black Gold St., SE Albuquerque, New Mexico 87123

Daniel Taschner No. 2 Meadowlark Court Artesia, New Mexico 88210

Arin Bratcher
No. 2 Meadowlark Court
Artesia. New Mexico 88210

William E. Gregory 11910 Central Ave., SE, Suite B Albuquerque, New Mexico 87123

Kathy Gregory 608 Lakeside Drive Carlsbad, New Mexico 88220

Brian McGonagill 1612 Westridge Road Carlsbad, New Mexico 88220

George P. McGonagill 2610 B Mountain View Carlsbad, New Mexico 88220

Cara McGonagill
 611 1/2 N. Mesa
 Carlsbad, New Mexico 88220

Shirley C. McGonagill 1612 Westridge Carlsbad, New Mexico 88220

Ralph V. Robinson Address Unknown

Childs & Bishop Law Office, Inc. Address Unknown

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

James W. Klipstine, Jr. 1601 N. Turner, Suite 400 Hobbs, New Mexico 88240

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

Kevin J. Hanratty 1601 N. Turner, Suite 400 Hobbs, New Mexico 88240

Holon Beeman 6801 Beckett Road, #134R Austin, Texas 78749

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

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

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

Charles L. Reitenger Address Unknown

John Edward Hall, III Address Unknown

The Successor of United New Mexico Bank of Carlsbad, Wells Fargo Bank, N.A.
2318 W. Pierce St.
Carlsbad, New Mexico 88220

First Federal Savings and Loan Association of Littlefield, Texas P.O. Box 1390 Littlefield, Texas 79339

Jonathan D. Knoerdel Address Unknown

Panagoppulos Enterprises, LLC 511 W. Reinken Ave. Belen, New Mexico 87002

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

The Heirs of Devisees of Mary I. Ervin 4016 Jones Street Carlsbad, New Mexico 88220

Louis M. (Mickey) Ratliff, Jr. 8 Firwood Court
The Hills, Texas 78738

Mary D. Ratliff 8 Firwood Court The Hills, Texas 78738

Nevill Manning 2112 Indiana Lubbock, Texas 79410 Nolan Greak 8008 Slide Road, Suite #33 Lubbock, Texas 79424

Seminole Memorial Hospital 209 NW 8<sup>th</sup> Street Seminole, Texas 79360

Andreas P. Panagopoulos 511 West Reinken Ave. Belen, New Mexico 87002

Pavlos P. Panagopoulos 511 West Reinken Ave. Belen, New Mexico 87002

Panagiota P. Panagopoulos Tendall 10008 Ranch Hand Avc. Las Vegas, Nevada 89117

Magdalene (or Magdaline) P. Panagopoulos 10008 Ranch Hand Ave. Las Vegas, Nevada 89117

Peter A. Panagopoulos 209 W. McKay Carlsbad, New Mexico 88220

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION CENTED ()())

2016 JUN 21 P 3: 01

APPLICATION OF MEWBOURNE OIL COMPANY FOR A NON-STANDARD SPACING AND PRORATION UNIT, COMPULSORY POOLING, AND AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

Case No. 155/0\_

## APPLICATION

Mewbourne Oil Company applies for an order (i) approving a 479.80 acre non-standard spacing and proration unit in the Wolfcamp formation comprised of the SE¼ of Section 33. Township 23 South, Range 28 East, N.M.P.M., and Lots 1, 2, S½NE¼, and SE¼ (the E½) of Section 4, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. (ii) pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit, and (iii) approving an unorthodox gas well location, and in support thereof, states:

- 1. Applicant is an interest owner in the SE¼ of Section 33 and the E½ of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill its Foreigner 33/4 W2JO Fee Com. Well No. 1H to a depth sufficient to test the Wolfcamp formation, and dedicate the SE¼ of Section 33 and the E½ of Section 4 to the well to form a non-standard standard 479.80 acre gas spacing and proration unit in the Wolfcamp formation. Applicant further seeks to pool all mineral interests in the Wolfcamp formation underlying the non-standard unit. The well is a horizontal well, with a surface location 2450 feet from the south line and 2310 feet from the east line of Section 33, and a terminus 330 feet from the south line and 2310 feet from the east line of Section 4. The producing interval will be unorthodox.

- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the SE¼ of Section 33 and the E½ of Section 4 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 Wolfcamp formation in the SE¼ of Section 33 and the E½ of Section 4, pursuant to NMSA 1978 §70-2-17.
- 5. Approval of the non-standard spacing and proration unit, the pooling of all mineral interests in the Wolfcamp formation underlying the SE¼ of Section 33 and the E½ of Section 4, and approval of the unorthodox gas 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. Approving the non-standard spacing and proration unit in the Wolfcamp formation in the SE½ of Section 33 and the E½ of Section 4:
- B. Pooling all mineral interests in the Wolfcamp formation underlying the SE¼ of Section 33 and the E½ of Section 4;
- C. Approving the unorthodox gas well location:
- D. Designating applicant as operator of the well;
- E. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;

- F. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- G. 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

Rost Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

## PROPOSED ADVERTISEMENT

Case No. 155/0:

Application of Mewbourne Oil Company for a nonstandard spacing and proration unit, compulsory pooling, and an unorthodox gas well location, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 479.80 acre non-standard spacing and proration unit in the Wolfcamp formation underlying the SE/4 of Section 33, Township 23 South, Range 28 East, NMPM, and Lots 1, 2, S/2NE/4, and SE/4 (the E/2) of Section 4, Township 24 South, Range 28 East, NMPM, pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit, and approving an unorthodox gas well location. The unit is to be dedicated to the Foreigner 33/4 W2JO Fee Com. Well No. 1H, a horizontal well with a surface location 2450 feet from the south line and 2310 feet from the east line of Section 33, and a terminus 330 feet from the south line and 2310 feet from the east line of Section 4. 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 2 miles northwest of Malaga, New Mexico.