

Examiner Hearing – October 27, 2016

Docket No. 43-16

Page 8 of 9

(project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 22 and the E/2 E/2 of Section 27, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit. The unit is to be dedicated to the **Owl Draw 22/27 B2AP Fed. Com. Well No. 1H**, a horizontal well with a surface location 200 feet from the south line and 600 feet from the east line of adjoining Section 15, and a terminus 333 feet from the south line and 572 feet from the east line of Section 27. 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 15 miles south-southeast of Black River Village, New Mexico.

34. Case No. 15549: (Continued from the September 29, 2016 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 23, Township 26 South, Range 27 East, NMPM, to form a standard 320 acre gas spacing and proration unit in the Wolfcamp formation. The unit is to be dedicated to the **Owl Draw 23 DM Fed. Com. Well No. 1**, a horizontal well with a surface location in the SW/4 SW/4 of adjoining Section 14, and a terminus 344 feet from the south line and 625 feet from the west line of Section 23. 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 13 miles south-southeast of Black River Village, New Mexico.

35. Case No. 15550: (Continued from the September 29, 2016 Examiner Hearing)

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 W/2 W/2 of Section 23, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 23. The unit is dedicated to the **Owl Draw 23 DM Fed. Com. Well No. 2**, a horizontal well with a surface location 370 feet from the south line and 1055 feet from the west line of adjoining Section 14, and a terminus 334 feet from the south line and 661 feet from the west line of Section 23. 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 13 miles south-southeast of Black River Village, New Mexico.

36. Case No. 15551: (Continued from the September 29, 2016 Examiner Hearing.)

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 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 22 and the W/2 E/2 of Section 27, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit is dedicated to the **Owl Draw 22/27 B2BO Fed. Com. Well No. 2H**, a horizontal well with a surface location 330 feet from the north line and 1585 feet from the east line of Section 22, and a terminus 330 feet from the south line and 1980 feet from the east line of Section 27. 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 15 miles south-southeast of Black River Village, New Mexico.

37. Case No. 15552: (Continued from the September 29, 2016 Examiner Hearing.)

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 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 27 and the W/2 W/2 of Section 22, Township 26 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit is to be dedicated to the **Owl Draw 27/22 B2MD Fed. Com. Well No. 1H**, a horizontal well with a surface location 170 feet from the south line and 330 feet from the west line of Section 27, and a terminus 330 feet from the north line and 330 feet from the west line of Section 22. 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 14-1/2 miles south-southeast of Black River Village, New Mexico.

38. Case No. 15553: (Continued from the September 29, 2016 Examiner Hearing.)

Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea 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 W/2 W/2 of Section 15, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 15.