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March 14, 2017

Case 15672

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 application for compulsory pooling, together with a proposed advertisement. Please set the application for the April 13, 2017 Examiner hearing. Thank you.

Very truly yours,

  
James Bruce

Attorney for Mewbourne Oil Company

**Parties Being Pooled**

**ConocoPhillips Company  
600 North Dairy Ashford  
EC3-07-W335  
Houston, Texas 77079-1175**

**Attention: Mrs. Katusha Roberts**

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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APPLICATION OF MEWBOURNE OIL  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

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Case No. 15672

APPLICATION

Mewbourne Oil Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying Lots 1-4 and the E $\frac{1}{2}$ W $\frac{1}{2}$  (the W $\frac{1}{2}$  equivalent) of Section 18, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W $\frac{1}{2}$  of Section 18, and has the right to drill a well thereon.

2. Applicant proposes to drill its Slider 18 W2MD Fed. Com. Well No. 1H to a depth sufficient to test the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool). Applicant seeks to dedicate the W $\frac{1}{2}$  of Section 18 to the well to form a standard 315.12 acre gas spacing and proration unit in the Wolfcamp formation. The well is a horizontal well, with a surface location in Lot 4 (the SW/4SW/4), and a terminus in Lot 1 (the NW/4NW/4), of Section 18.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W $\frac{1}{2}$  of Section 18 for the purposes set forth herein.

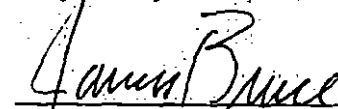
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the W $\frac{1}{2}$  of Section 18, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the W½ of Section 18 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 18;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. 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

Case No. 15672 :

***Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.***  
Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 1-4 and the E/2W/2 (the W/2 equivalent) of Section 18, Township 23 South, Range 27 East, NMPM, to form a 315.12 acre well unit. The unit is to be dedicated to the Slider 18 W2MD Fed. Com. Well No. 1H, a horizontal well with a surface location in Lot 4, and a terminus in Lot 1, of Section 18. 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 8 miles south of Carlsbad, New Mexico.

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