

JAMES BRUCE
ATTORNEY AT LAW

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jamesbruc@aol.com

March 14, 2017

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, *etc.*, 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

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Case 15674

Parties Being Notified

Judith A. West
500 Main Ave. SW, #1948
Cullman, Alabama 35055

AND

c/o Drought, Drought & Bobbitt, LLP
112 E. Pecan Street, #2900
San Antonio, Texas 78205

Santo Petroleum, LLC
P.O. Box 1020
Artesia, New Mexico 88211-1020

Hold the Door, LP
6824 Island Circle
Midland, Texas 79707

Tierra Oil Company, LLC
P.O. Box 1948
Santa Fe, New Mexico 87504

Chalcam Exploration, LLC
403 Tierra Berranda
Roswell, New Mexico 88201

Featherstone Development Corp.
P.O. Box 429
Roswell, New Mexico 88202

Ross Duncan Properties, LLC
P.O. Box 647
Artesia, New Mexico 88211

Xplor Resources, LLC
1104 North Shore Drive
Carlsbad, New Mexico 88220

Heirs or Devisees of Kizzie Hazel Ogburn, Deceased
Address Unknown

Heirs or Devisees of Garland Gooch, Deceased
Address Unknown

Heirs or Devisees of Murrell M. Ogburn, Deceased
Address Unknown

Roger W. Ogburn
102 South Colgate Street
Perryton, TX 79070

Jerri D. Ballard
406 South Woodchuck
Wichita, KS 67209

Barbara Sue Mock
10446 Big Canoe
Big Canoe, GA 30143

Heirs or Devisees of Charles C. Ogburn, deceased
Address Unknown

Marilyn L. Cook
5312 NW 119th Ter.
Oklahoma City, OK 73162-1965

Charlene M. Cowan
1721 Cinnamon Ridge Rd.
Edmond, OK 73025

Buddy F. Ogburn
5312 NW 119th Ter.
Oklahoma City, OK 73162-1965

Martin L. Ogburn
5312 NW 119th Ter
Oklahoma City, OK 73162-1965

Heirs or devisees of Felton W. Courtney, Deceased
Address Unknown

M.O. Armstrong
PO Box 5422
Austin, TX 78763

David Lee Courtney
3402 E Turquoise Ave #297
Phoenix, AZ 85028-3969

Regeneration Energy Corporation
P.O. Box 210
Artesia, NM 88211-0210

Heirs or devisees of Bernice Lee Courtney, Deceased
Address Unknown

Leon Coburn
922 W 30th St
Houston, TX 77018
Attn: Suzan Arinder Blummer

Gary Arinder
8019 Oxfordshire Dr
Spring, TX 77379

Suzan Arinder Blummer
922 W 30th St
Houston, TX 77018

Pressley H. Guitar
PO Box 5383
Abilene, Texas 79608

Whitten Guitar Witherspoon
7524 Pear Tree Lane
Fort Worth, TX 76133

First Financial Trust and Asset Management Company, N.A.
400 Pine Street, Suite 300
Abilene, Texas 79601
Attn: Randy Spiva

Art and Carolyn Huber, Husband and Wife, as Joint Tenants
6290 Portola Rd.
Atascadero, CA 93422

Louis Naranjo, as Successor Trustee of the
Ronald O. Logsdon, Jr. Family Trust u/i/a dated October 1, 1992
P.O. Box 12086
Santa Rosa, CA 95406

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MEWBOURNE OIL COMPANY FOR
A NON-STANDARD SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

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Case No. 15674

APPLICATION

Mewbourne Oil Company applies for an order approving a 478.39 acre non-standard spacing and proration unit in the Wolfcamp formation comprised of Lots 3-7, SE/4NW/4, and E/2SW/4 (the W/2 equivalent) of Section 6 and Lots 1, 2, and E/2NW/4 (the NW/4 equivalent) of Section 7, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit, and in support thereof, states:

1. Applicant is an interest owner in the W/2 of Section 6 and the NW/4 of Section 7, and has the right to drill a well thereon.
2. Applicant proposes to drill its Motley 6/7 W2DE Fed. Com. Well No. 1H to a depth sufficient to test the Wolfcamp formation. Applicant seeks to dedicate the W/2 of Section 6 and the NW/4 of Section 7 to the well to form a standard 478.39 acre gas spacing and proration unit in the Wolfcamp formation. The well is a horizontal well, with a surface location in Lot 4 of Section 6, and a terminus in Lot 2 of Section 7. The beginning and end of the producing interval will be orthodox
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2 of Section 6 and the NW/4 of Section 7 for the purposes set forth herein.

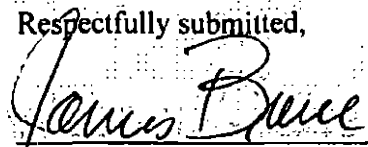
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation in the W/2 of Section 6 and the NW/4 of Section 7, pursuant to NMSA 1978 §70-2-17.

5. The approval of the non-standard spacing and proration unit, and the pooling of all mineral interests in the Wolfcamp formation underlying the W/2 of Section 6 and the NW/4 of Section 7, 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 comprised of the W/2 of Section 6 and the NW/4 of Section 7;
- B. Pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 6 and the NW/4 of Section 7;
- 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,

A handwritten signature in dark ink, appearing to read "James Bruce", written over a horizontal line.

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

PROPOSED ADVERTISEMENT

Case No. 15674:

Application of Mewbourne Oil Company for a nonstandard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 478.39 acre non-standard spacing and proration unit in the Wolfcamp formation underlying Lots 3-7, SE/4NW/4, and E/2SW/4 (the E/2) of Section 6, and Lots 1, 2, and E/2NW/4 (the NW/4) of Section 7, Township 24 South, Range 28 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the Motley 6/7 W2DE Fee Com. Well No. 1H, a horizontal well with a surface location in Lot 4 of Section 6, and a terminus in Lot 2 of Section 7. The producing interval will be orthodox. 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 4 miles west-northwest of Malaga, New Mexico.

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