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MAR 12 1998

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PLEASE REPLY TO SANTA FE

March 12, 1998

Lori Wrottenbery, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: In the Matter of the Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico

Dear Ms. Wrottenbery:

Enclosed please find an original and one copy of Application for compulsory pooling in the above-referenced matter. Please file the original and return the endorsed copy in the envelope provided for your convenience.

We understand that Devon Energy Corporation may have recently filed a conflicting application for compulsory pooling affecting a portion of the subject lands. Accordingly, we ask that the Mewbourne case and Devon case be consolidated for hearing on the April 2nd Examiner docket.

Very truly yours,

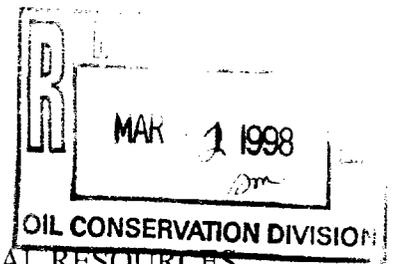
MILLER, STRATVERT & TORGERSON, P.A.



J. Scott Hall, Esq.

cc: W. Thomas Kellahin, Esq. (w/enclos.)

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES



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

CASE NO. 11907

APPLICATION

MEWBOURNE OIL COMPANY, through its undersigned attorneys, Miller, Stratvert & Torgerson, P.A. hereby makes application pursuant to the provisions of N.M. Stat. Ann. § 70-2-17 (1978), for an order pooling all of the mineral interests under the N/2 of Section 22 from the surface to the base of the Morrow formation and including all formations developed on 320-acre spacing including the Avalon-Morrow Gas Pool, the West Burton Flat-Strawn Gas Pool and the Avalon-Upper Pennsylvanian Gas Pool; under the NW/4 for all formations developed on 160-acre spacing; and under the E/2 NW/4 for all formations developed on 80-acre spacing in Section 22, Township 21 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and in support thereof states:

1. Applicant is a working interest owner in the N/2 of Section 22 and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing or proration unit to its Carlsbad "22" State #1 Well to be drilled at a standard location 990 feet from the North line and 1650 feet from the West line (Unit "C") of Section 22, to a depth sufficient to test all formations from the surface to the base of the Morrow formation, Avalon-Morrow Gas Pool. Applicant's C-101 APD and C-102 Well Location and Acreage Dedication filings for the subject

well were submitted on or about September 18, 1997 and approved by the Oil Conservation Division on September 22, 1997.

3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout of interests from Devon Energy Corporation, 20 North Broadway, Suite 1500, Oklahoma City, OK 73102, Attn: Carla Wood.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant requests that his application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 1998 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after the completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well.

MILLER, STRATVERT & TORGERSON. P.A.

By J. Scott Hall

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