

CASE 12698: De Novo (Continued from September 14, 2001 Commission Hearing)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Yates formation to the base of the Morrow formation underlying the following described acreage in Section 15, Township 21 South, Range 27 East, and in the following manner: The E/2 of Section 15 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated Cedar Hills-Upper Pennsylvanian Gas Pool, Burton Flat-Strawn Gas Pool, and Burton Flat-Morrow Gas Pool; the SE/4 of Section 15 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, including but not limited to the Undesignated East Avalon-Bone Spring Gas Pool; and the NW/4 SE/4 of Section 15 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated La Huerta-Delaware Pool, Undesignated East Avalon-Bone Spring Pool, and Undesignated East Carlsbad-Bone Spring Pool. The units are to be dedicated to applicant's Esperanza "15" St. Com. Well No. 1, to be drilled at an unorthodox gas well location 2232 feet from the South line and 1980 feet from the East line of Section 15. 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 charge for the risk involved drilling and completing the well. The units are located approximately 5 1/2 miles northeast of Carlsbad, New Mexico. Upon application of Harvey E. Yates Company and Jalapeno Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.