

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

2017 FEB 23 PM 1:40

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF BLACK MOUNTAIN OPERATING
LLC FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

Case No. 15,628

**APPLICATION OF BLACK MOUNTAIN OPERATING
LLC FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

Case No. 15,629

**APPLICATION OF BLACK MOUNTAIN OPERATING
LLC FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

Case No. 15,630

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mewbourne Oil Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Black Mountain Operating LLC

APPLICANT'S ATTORNEY

J. Scott Hall

OPPONENT

Mewbourne Oil Company
Suite 1020
500 West Texas
Midland, Texas 79701

OPPONENT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: Corey Mitchell
(432) 682-3715

STATEMENT OF THE CASE

APPLICANT

Case No. 15,628: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2SW/4 of Section 10 and the E/2W/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 unit.

Case No. 15,629: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2SE/4 of Section 10 and the W/2E/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 unit.

Case No. 15,630: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2SE/4 of Section 10 and the E/2E/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 unit.

OPPONENT

Mewbourne Oil Company opposes the above applications, and requests that its applications in Case Nos. 15,600, 15,601, and 15,602 be granted.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENTS

WITNESSES

EST. TIME

EXHIBITS

Corey Mitchell
(landman)

20 min.

Approx. 8

Nate Cless
(geologist)

20 min.

Approx. 5

Travis Cude

20 min.

Approx. 5

PROCEDURAL MATTERS

Applicant requests that the above cases, and Mewbourne Oil Company's Case Nos. 15,600, 15,601, and 15,602, be consolidated for hearing.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company