

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

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

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

Case No. 16234

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

Case No. 16235

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

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

Attention: Corey Mitchell
(432) 682-3715

APPLICANT'S ATTORNEY

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

OPPONENTS

COG Operating LLC

Marathon Oil Permian LLC

Tom M. Ragsdale

OPPONENTS' ATTORNEY

Ocean Munds-Dry
William F. Carr
Elizabeth Ryan

Jennifer Bradfute

Sharon T. Shaheen

STATEMENT OF THE CASE

APPLICANT

Case No. 16234: Mewbourne Oil Company seeks an order approving a 480-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the NE/4 of Section 21 and the E/2 of Section 16, Township 24 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit will be dedicated to the Creedence 21/16 W0HA State Com. Well No. 1H and the Creedence W0HA State Com. Well No. 2H, horizontal wells with surface locations in the SE/4NE/4 of Section 21, and bottomhole locations in the NE/4NE/4 of Section 16. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case No. 16235: Mewbourne Oil Company seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2S/2 of Section 24 and the N/2S/2 of Section 23, Township 18 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit will be dedicated to the Virgo 24/23 B2IL Fed. Com. Well No. 1H, a horizontal well with a surface location in the NE/4SE/4 of Section 24, and a terminus in the NW/4SW/4 of Section 23. 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.

OPPONENTS

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Tyler Jolly
(landman)

EST. TIME

20 min.

EXHIBIT

Approx. 10

Charles Crosby
(geologist)

20 min.

Approx. 8

OPPONENTS

WITNESSES


EST. TIME

EXHIBIT

PROCEDURAL MATTERS

Applicant will dismiss Jalapeno Corporation from these cases at the hearing.

Respectfully submitted,



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Attorney for Mewbourne Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 21st day of June, 2018 by e-mail:

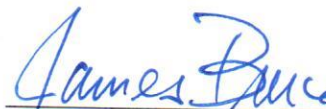
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