

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

**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
GAS SPACING AND PRORATION UNIT
AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16235

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 16386

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 16387

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 16388

MARATHON'S AMENDED PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company

ATTORNEY

James Bruce, Esq.
P.O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

OPPONENTS

Marathon Oil Permian LLC

ATTORNEY

Earl E. DeBrine, Jr.
Jennifer L. Bradfute
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800
jlb@modrall.com

COG Operating LLC

Ocean Munds-Dry
William F. Carr
Elizabeth A. Ryan
1048 Paseo de Peralta
Santa Fe, NM 87501
omundsdry@concho.com
wcarr@concho.com
eryan@concho.com

STATEMENT OF CASE

In 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/4 NE/4 of Section 21, and bottom hole locations in the NE/4 NE/4 of Section 16.

In Case No. 16235, 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 NW/4 of Section 21 and the W/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 Examiner Hearing June 28, 2018 Docket No. 28-18 Page 17 of 21 Creedence 21/16 W2ED State Com. Well No. 1H and the Creedence W0ED State Com. Well No. 2H, horizontal wells with surface locations in the SW/4 NW/4 of Section 21, and bottom hole locations in the NW/4 NW/4 of Section 16.

In Case No. 16386, Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the W/2 NE/4 of Section 21 and the W/2 E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the Creedence 21/16 B3GB State Com. Well No. 1H, a horizontal well a first take point in the SW/4 NE/4 of Section 21 and a last take point in the NW/4 NE/4 of Section 16.

In Case No. 16387, Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the E/2 NE/4 of Section 21 and the E/2 E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the Creedence 21/16 B3HA State Com. Well No. 1H, a horizontal well a first take point in the SE/4 NE/4 of Section 21 and a last take point in the NE/4 NE/4 of Section 16.

In Case No. 16388, Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the NE/4 of Section 21 and the E/2 of Section 16, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the Creedence 21/16 W0GB State Com. Well No. 3H, the Creedence W2GB State Com. Well No. 4H, the Creedence 21/16 W2HA State Com. Well No. 5H, the Creedence 21/16 W2GB State Com. Well No. 6H, and the Creedence 21/16 W2GB State Com. Well No. 7H, horizontal wells with surface locations in the S/2 NE/4 of Section 21, and final take points in the N/2 NE/4 of Section 16.

Marathon has filed competing applications for this area in Case Nos. 16301, 16302 and 16303. Marathon opposes Mewbourne's applications in order to protect its correlative rights and to present arguments which promote the prevention of waste.

PROPOSED EVIDENCE

MARATHON:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Chase Rice – Landman	Approx. 40	Approx. 8
Tucker Keren/TBD – Geologist	Approx. 30	Approx. 4
TBD - Engineer	Approx. 20	Approx. 4

PROCEDURAL ISSUES

Marathon requests that Case Nos. 16234, 16235, 16386, 16387, 16388, 16301, 16302 and 16303 be continued to the October 4th docket. The parties are discussing special docket dates in mid-October.

Respectfully submitted,

**MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.**

By: 

Jennifer L. Bradfute
Post Office Box 2168
Bank of America Centre
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.180

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on September 13, 2018:

James Bruce, Esq.
P.O. Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

Ocean Munds-Dry
William F. Carr
Elizabeth A. Ryan
1048 Paseo de Peralta
Santa Fe, NM 87501

omundsdry@concho.com
wcarr@concho.com
eryan@concho.com

By: _____


Jennifer L. Bradfute

Post Office Box 2168

Bank of America Centre

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800