



2011 SEP 22 P 5:03

**Fax Transmittal
Cover Sheet**

Page 1 of 4

Date: September 22, 2011

Client/Matter #: 82021-0112

Fax No.: 505-476-3462

Please deliver the following pages to:

Name: Florene Davidson
New Mexico Oil Conservation Division

From: Earl E. DeBrine, Jr., Esq.

cc: Sonny Swazo, Esq. Fax: 505-476-3462
Jamie Bailey Fax: 505-476-3462
William F. Carr, Esq. Fax: 505-983-6043

Modrall Sperling
Roehl Harris & Sisk, P.A.

Bank of America Centre
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com
Fax: 505.848.1891

FAX FILING

IN APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, Case No. 14736

Transmitted herewith for fax filing is HEYCO's PREHEARING STATEMENT in the above-referenced matter.

If you have any problems receiving our telecopy, please phone: 505.848.1800, Ext:

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

RECEIVED 003
2011 SEP 22 P 5:03

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

CASE NO.: 14736

PREHEARING STATEMENT

The Harvey E. Yates Company, Explorers Petroleum Corporation and Spiral, Inc. (collectively "HEYCO") submit this Prehearing Statement as required by the New Mexico Oil Conservation Commission.

I. APPEARANCES OF THE PARTIES

Applicant:

Attorney

Mewbourne Oil Company

William F. Carr
Holland & Hart LLP
P.O. Box 2208
Santa Fe, NM 87504-2208

Opponent:

Attorney

Harvey E. Yates Company,
Explorers Petroleum Corporation
and Spiral, Inc.

Earl E. DeBrine, Jr.
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
P.O. Box 2168
Albuquerque, NM 87103-2168

II. STATEMENT OF THE CASE

(1) / Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 N/2 of Section 11, Township 18 South, Range 31 East, NMPM and order force pooling all mineral interests from the base of the Second Bone Spring Carbonate to the base of the Bone Spring formation underlying the N/2 N/2 of Section 11 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Tamano 11 Fed. Com. Well No. 1, a

Curt 9/22/11

horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 11.

(2) HEYCO owns an interest in two sections that will be penetrated by Mewbourne's proposed well where there are existing wellbores. HEYCO opposes the drilling of the well because it will impair HEYCO's correlative rights.

III. PROPOSED EVIDENCE BY HEYCO

WITNESSES	EST. TIME	EST. EXHIBITS
Gordon Yahney (geologist)	60 minutes	3-4
Melissa Randle (land)	30 minutes	2

Respectfully Submitted,

By: 

Earl E. DeBrine, Jr.

Modrall, Sperling, Roehl, Harris, & Sisk, P.A.

Post Office Box 2168

Albuquerque, New Mexico 87103-2168

Telephone: (505) 848-1800

Facsimile: (505) 848-9710

Email: edebrine@modrall.com

**ATTORNEYS FOR HARVEY E. YATES COMPANY,
EXPLORERS PETROLEUM CORPORATION AND
SPIRAL, INC.**

CERTIFICATE OF SERVICE

I certify that on September 22, 2011, I served a copy of the foregoing documents by:

- ☐ US Mail, postage prepaid
- ☐ Hand Delivery
- ☒ Facsimile

to the following:

Sonny Swazo, Esq.
Fax: 505-476-3462
Attorney for Oil Conservation Division

Jamie Bailey
Fax: 505-476-3462
Director, Oil Conservation Division

William F. Carr, Esq.
Fax: 505-983-6043
Attorney for Applicant

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

By: _____

Earl E. DeBrine, Jr.

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