

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

**APPLICATION OF NEARBURG PRODUCING
COMPANY FOR DESIGNATION OF A NON-
STANDARD OIL SPACING AND PRORATION
UNIT, AN UNORTHODOX SURFACE LOCATION
AND COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

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CASE NO. 14745

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Nearburg Producing Company

ATTORNEY

J. Scott Hall
Montgomery & Andrews, P. A.
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

OPPONENT

Mewbourne Oil Company
500 West Texas, Ste. 1020
Midland, TX 79701
(432) 682-371-5110

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
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STATEMENT OF THE CASE

Mewbourne Oil Company ("Mewbourne") is in the midst of negotiations with Nearburg Producing Company ("Nearburg") and has requested a continuance of this case from the

November 10th examiner hearing docket to the December 15th docket to accommodate continuing discussions and the opportunity to reach agreement. Should Mewbourne and Nearburg fail to reach agreement, it will be necessary for Mewbourne to object to Nearburg's application as not in the best interest of conservation, the prevention of waste, or the protection of correlative rights.

OPPONENT'S PROPOSED EVIDENCE

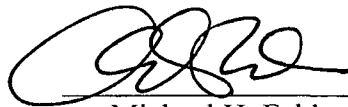
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Corey Mitchell, Landman	Approx. 30 minutes	Approx. 5
Jason Lodge, Petroleum Geologist	Approx. 20 minutes	Approx. 5
Bryan Montgomery, Petroleum Engineer	Approx. 20 minutes	Approx. 5

PROCEDURAL MATTERS

Mewbourne Oil Company has requested a continuance of this case from the November 10th examiner hearing docket to the December 15th docket.

Respectfully submitted,

HOLLAND & HART, LLP



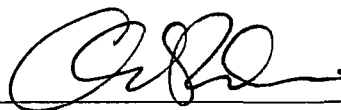
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ATTORNEYS FOR MEWBOURNE OIL COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on November 3, 2011, I served a copy of the foregoing document to the following via electronic mail and U.S. mail to:

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