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

2016 SEP 22 P 3: 54

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

CASE NO. 15553

PRE-HEARING STATEMENT

Black Mountain Operating LLC, ("Black Mountain"), provisionally provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

OPPONENT: BLACK MOUNTAIN
OPERATING LLC

BLACK MOUNTAIN OPERATING
LLC'S ATTORNEY

J. Scott Hall, Esq.
MONTGOMERY & ANDREWS, P.A.
P.O. Box 2307
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APPLICANT

MEWBOURNE OIL COMPANY

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, NM 87504
jamesbruc@aol.com

STATEMENT OF THE CASE

Applicant 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 W½ W½ of Section 15, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit.

Black Mountain owns certain working interests that would be included in Mewbourne's proposed spacing and proration unit. Black Mountain has notified Mewbourne that it intends to participate in the Pronghorn 15B3DM Fed Com 1H Well and has executed Mewbourne's AFE.

PROPOSED EVIDENCE

OPPONENT: BLACK MOUNTAIN OPERATING LLC EST. TIME EXHIBITS

WITNESSES: Luke Mildren, Land Manager 15 Min. 5

APPLICANT: MEWBOURNE OIL COMPANY EST. TIME EXHIBITS

WITNESSES:

PROCEDURAL MATTERS

None.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall

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Attorneys for Black Mountain Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on September 22, 2016:

James Bruce
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J. Scott Hall

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