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

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

CASE NO. 15601

AMENDED PRE-HEARING STATEMENT

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

APPEARANCES

**OPPONENT: BLACK MOUNTAIN
OPERATING LLC**

**BLACK MOUNTAIN OPERATING
LLC'S ATTORNEY**

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Seth C. McMillan, Esq.
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APPLICANT

MEWBOURNE OIL COMPANY

APPLICANT'S ATTORNEY

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STATEMENT OF THE CASE

Applicant Mewbourne Oil Company seeks an order approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the W½ E½ 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 in the S/2 of Section 15 that would be included in Mewbourne's proposed spacing and proration unit. Black Mountain plans to develop its acreage with 7,500' laterals to include acreage it owns in Section 10, T23S, R34E. Mewbourne's development plans are in conflict with Black Mountain's plans. Black Mountain has submitted competing applications, all of which are also set for hearing on March 2, 2017, as case nos. 15628, 15629, and 15630.

PROPOSED EVIDENCE

<u>OPPONENT:</u> BLACK MOUNTAIN OPERATING LLC	<u>EST. TIME</u>	<u>EXHIBITS</u>
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WITNESSES:

Robbie Zimmerman, Land Manager	30 Min.	5
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Dr. Michael McCracken, (COO) Reservoir Engineer	45 Min.	5
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<u>APPLICANT:</u> MEWBOURNE OIL COMPANY	<u>EST. TIME</u>	<u>EXHIBITS</u>
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WITNESSES:

PROCEDURAL MATTERS

Black Mountain requests the consolidation of this case with Mewbourne case nos. 15600 and 15602, as well as Black Mountain case nos. 15628, 15629, and 15630. These six (6) cases concern overlapping lands and interests, and are expected to involve identical witnesses providing similar testimony.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: 

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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 February 23, 2017:

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Seth C. McMillan