

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

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

**Case No. 16081**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Mewbourne Oil Company  
Suite 1020  
500 West Texas  
Midland, Texas 79701

Attention: Corey Mitchell  
(432) 682-3715

**APPLICANT'S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

**OPPONENT**

**OPPONENT'S ATTORNEY**

**STATEMENT OF THE CASE**

**APPLICANT**

Mewbourne Oil Company seeks an order approving a 480 acre non-standard gas spacing and proration unit in the Wolfcamp formation underlying the W/2 of Section 26 and the SW/4 of Section 23, Township 24 South, Range 28 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to (i) the Rustler Breaks 26/23 W2ML Fee Com. Well No. 1H, a horizontal well with a surface location in the NW/4NW/4 of Section 35, and a terminus in the NW/4SW/4 of Section 23; and (ii) the Rustler Breaks 26/23 W0ML Fee Com. Well No. 2H, a horizontal well with a surface location in the NW/4NW/4 of Section 35, and a terminus the NW/4SW/4 of Section 23.

The producing interval of each well will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

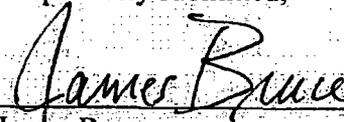
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Josh Anderson (landman)	15 min.	Approx. 6
Charlie Crosby (geologist)	10 min.	Approx. 8

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

**PROCEDURAL MATTERS**

Respectfully submitted,



James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Mewbourne Oil Company