

**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:**

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

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CASE NO. 14517

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Mewbourne Oil Company  
Attn: Mr. D. Paul Haden  
500 West Texas, Suite 1020  
Midland, Texas 79701  
(432) 682-3715

**ATTORNEY**

Ocean Munds-Dry, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

**STATEMENT OF CASE**

**APPLICANT**

Applicant seeks an order (1) creating a 160-acre non-standard spacing unit comprised of the S/2 S/2 equivalent of Section 29, Township 18 South, Range 30 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation, Santo Nino Bone Spring Pool, in this non-standard spacing and proration unit which spacing unit will be pooled project area for the existing Bradley "29" Federal Com Well No. 1 (API No. 30-015-37481) that will be reentered at non-standard surface location 1050 feet from the South line and 1905 feet from the East line (Unit O) and then drilled in a westerly direction approximately 3,050 feet in the Bone Spring formation to a terminus 972 feet from the South line and 343 feet from the West line (Unit M) of said Section 29. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision,

from 2/6/12  
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designation of Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8 miles South of Loco Hills, New Mexico.

### **PROPOSED EVIDENCE**

#### **APPLICANT**

WITNESSES  
(Name and Expertise)

ESTIMATED TIME

EXHIBITS

Paul Haden,  
Petroleum Landman

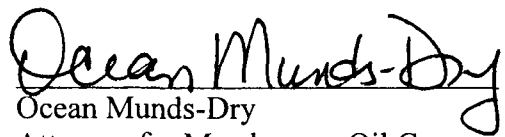
By Affidavit

David Rawlins,  
Petroleum Geologist

By Affidavit

### **PROCEDURAL MATTERS**

Mewbourne Oil Company has none at this time.

  
Ocean Munds-Dry  
Attorney for Mewbourne Oil Company