

**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:**

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

**CASE NO. 14595**

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**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. Corey Mitchell  
500 West Texas, Suite 1020  
Midland, Texas 79701  
(432) 682-3715

**ATTORNEY**

William F. Carr, Esq.  
Ocean Munds-Dry, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
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**STATEMENT OF CASE**

Mewbourne Oil Company seeks an order creating a non-standard spacing unit comprised of the SE/4 SE/4 of Section 5 and the E/2 NE/4 of Section 8, of Township 20 South, Range 25 East, NMPM; and pooling all mineral interests in the Undesignated Yeso formation, in this non-standard spacing and proration unit which spacing unit will be the project area for its proposed West Draw "5/8" PH Fed Com Well No. 1-H to be horizontally drilled from a surface location 1500 feet from the South line and 350 feet from the East line (Unit I) of said Section 5, and then in a southerly direction in the Yeso formation to a bottom hole terminus at a point 2310 feet from the North line and 350 feet from the East line (Unit H) of said Section 8. This well will penetrate the Yeso formation at an unorthodox location 1195 feet from the South line and 350 feet from the East line of Section 5, however, the producing interval in the wellbore is

within the well's "producing area." 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, designation of Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well.

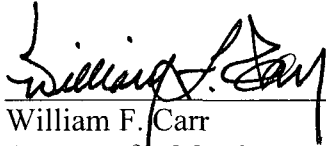
### **PROPOSED EVIDENCE**

#### **APPLICANT**

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Mr. Paul Haden Landman	10 Minutes	Approximately 5
Mr. Jason Lodge Geologist	10 Minutes	Approximately 3

### **PROCEDURAL MATTERS**

Mewbourne Oil Company has none at this time.

  
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William F. Carr  
Attorney for Mewbourne Oil Company