

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

**APPLICATIONS OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING
AND OVERLAPPING SPACING UNITS,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 24979 - 24981

CONSOLIDATED PRE-HEARING STATEMENT

Mewbourne Oil Company (“Mewbourne” or “Applicant”) submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division (“Division”).

APPLICANT

Mewbourne Oil Company

ATTORNEYS

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STATEMENT OF THE CASES

In **Case No. 24979**, Mewbourne applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 959.81-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the W/2 of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico. The unit will be dedicated to the following wells:

- a. **Yardbirds 27/3 Fee 711H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3, Township 24 South; and
- b. **Yardbirds 27/3 Fee 713H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 3, Township 24 South.

The completed intervals of the wells will be orthodox. The unit will partially overlap with the proposed spacing unit for the Yardbirds 27/3 Fee 715H (API No. pending) well, which will be located in Sections 27 and 34, Township 23 2 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, and will produce from the Purple Sage, Wolfcamp (Gas) pool (Code 98220).

In **Case No. 24980**, Mewbourne applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,920.06-acre, more or less, standard, overlapping horizontal spacing unit comprised of all of Sections 27 and 34, Township 23 South, Range 28 East, and all of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico. The unit will be dedicated to the **Yardbirds 27/3 Fee 715H** well, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 3, Township 24 South. The completed interval of the well

will be orthodox. The completed interval of the well will be located within 330' of the line separating the E/2 and W/2 of Sections 27 and 34, Township 23 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, to allow for the creation of a 1,920.06-acre, more or less, standard horizontal spacing unit. The unit will partially overlap with the proposed spacing units for the following wells, which will produce from the Purple Sage, Wolfcamp (Gas) pool (Code 98220):

- a. Yardbirds 27/3 Fee 711H (API No. pending) and Yardbirds 27/3 Fee 713H (API No. pending), which will be located in the W/2 of Sections 27 and 34, Township 23 South, Range 28 East; and the W/2 of Section 3, Township 24 South, Range 28 East; and
- b. Yardbirds 27/3 Fee 716H (API No. pending), which will be located in the E/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the E/2 of Section 3, Township 24 South, Range 28 East.

In **Case No. 24981**, Mewbourne applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 960.25-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the E/2 of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico. The unit will be dedicated to the **Yardbirds 27/3 Fee 716H** well, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 3, Township 24 South. The completed interval of the well will be orthodox. The unit will partially overlap with the proposed spacing unit for the Yardbirds 27/3 Fee 715H (API No. pending) well, which will be located in Sections 27 and 34, Township 23 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, and will produce from the Purple Sage, Wolfcamp (Gas) pool (Code 98220).

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately one mile east of Loving, New Mexico.

PROPOSED EVIDENCE

| Witness | Occupation | Estimated Time | Exhibits |
|----------------|-------------------|-----------------------|-----------------|
| Mitch Robb | Landman | Affidavit | Approx. 5 |
| Tyler Hill | Geologist | Affidavit | Approx. 3 |

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

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Counsel for Mewbourne Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Prehearing Statement was sent to the following counsel of record on this 27th day of November, 2024.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 406970

QUESTIONS

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| Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241 | OGRID: 14744 |
| | Action Number: 406970 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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|---|---------------|
| Testimony | |
| Please assist us by provide the following information about your testimony. | |
| Number of witnesses | Not answered. |
| Testimony time (in minutes) | Not answered. |