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

APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 25751

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 25752

MEWBOURNE'S CONSOLIDATED PRE-HEARING STATEMENT

Mewbourne Oil Company, ("Mewbourne" or "Applicant"), the applicant in this case, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division

APPEARANCES

<u>APPLICANT</u> <u>ATTORNEY</u>

Mewbourne Oil Company Adam G. Rankin

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, Mewbourne seeks orders pooling for the referenced acreage, all in Township 18 South, Range 34 East, NMPM, Lea County, New Mexico in the Bone Spring formation (Mescalero Escarpe; Bone Spring [45793]) as follows:

- Under Case No. 25751, Mewbourne seeks an order (1) approving an overlapping, 240-acre, more or less, standard horizontal well spacing unit in the Bone Spring formation underlying the W/2 SE/4 of Section 18 and the W/2 E/2 of Section 19, and (2) pooling all uncommitted mineral interests in this acreage, to be initially dedicated to the proposed Macho Man 18/19 Federal Com 526H (API No. 30-025-54928) well, to be drilled from a surface hole location in the SW/4 NE/4 (Unit G) of Section 18, to a bottom hole location in SW/4 SE/4 (Unit O) of Section 19. The proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing unit:
 - The 40-acre vertical well spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, T18S-R34W, dedicated to Mack Energy Corporation's Cap State #1 (API No. 30-025-40920).
- Under Case No. 25752, Mewbourne seeks to pool the uncommitted interest owners in a standard 240-acre, more or less, well spacing unit in the Bone Spring formation underlying the E/2 SE/4 of Section 18 and E/2 E/2 of Section 19, to be initially dedicated to the proposed Macho Man 18/19 Federal Com 528H (API No. 30-025-54734) well, to be drilled from a surface hole location in the SW/4 NE/4 (Unit G) of Section 18, to a bottom hole location in SE/4 SE/4 (Unit P) of Section 19.

The completed interval for the wells will comply with statewide setbacks for oil wells.

Mewbourne has sought but been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing units.

<u>APPLICANT'S PROPOSED EVIDENCE</u>

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS	
Brendon Johnson, Landman	Self-Affirmed Statement	Approx. 7	
Charles Crosby, Geologist	Self-Affirmed Statement	Approx. 3	

PROCEDURAL MATTERS

Mewbourne requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:

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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 530289

QUESTIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	530289
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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