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

### APPLICATIONS OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24894 24895 24896

#### **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.

#### APPLICANT

Mewbourne Oil Company

# ATTORNEYS

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#### **INTERESTED PARTY**

#### ATTORNEY

None at this time.

#### **STATEMENT OF THE CASES**

In Case No. 24894, Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240- acre, more or less, standard horizonal spacing unit comprised of the W/2 W/2 of Section 16 and the W/2 SW/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. Mewbourne seeks to dedicate the unit to the **Top Round** 16/9 State Com #521H (B2ML) well, which will be drilled from a surface hole location in the

SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 9.

In **Case No. 24895**, Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizonal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Section 16 and the E/2 SW/4 and W/2 SE/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. Mewbourne seeks to dedicate the unit to the **Top Round 16/9 State Com #525H (B2OJ)** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 9. The Top Round 16/19 State Com #525H (B2OJ) well will be located within 330' of the quarter-quarter section line separating the E/2 W/2 and W/2 E/2 of Sections 9 and 16 to allow for the creation of a 480-acre, standard horizontal spacing unit.

In **Case No. 24896**, Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240- acre, more or less, standard horizonal spacing unit comprised of the E/2 E/2 of Section 16 and the E/2 SE/4 of Section 9, Township 18 South, Range 35 East, Lea County, New Mexico. Mewbourne seeks to dedicate the unit to the **Top Round 16/9 State Com #528H (B2PI)** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 16 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 9.

The completed intervals of the wells are expected to be orthodox. 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 units and wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 17 miles west of Hobbs, New Mexico.

#### PROPOSED EVIDENCE

| Witness        | Occupation | <b>Estimated</b> Time | Exhibits  |
|----------------|------------|-----------------------|-----------|
| Brad Dunn      | Landman    | Affidavit             | Approx. 5 |
| Charles Crosby | Geologist  | Affidavit             | Approx. 2 |

#### **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

<u>/s/ Dana S. Hardy</u> Dana S. Hardy Jaclyn M. McLean Dylan M. Villescas P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com dvillescas@hinklelawfirm.com *Counsel for Mewbourne Oil Company* 

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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

Page 4 of 4

Action 397802

QUESTIONS

| Operator:                        | OGRID:   |
|----------------------------------|--|
| MEWBOURNE OIL CO                 | 14744  |
| P.O. Box 5270<br>Hobbs, NM 88241 | Action Number:<br>397802                                 |
|                                  | Action Type:<br>[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. |  |