

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

**APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING AND APPROVAL  
OF NON-STANDARD SPACING UNIT,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24993**

**PRE-HEARING STATEMENT**

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

**APPLICANT**

Mewbourne Oil Company

**ATTORNEYS**

Dana S. Hardy  
Jaclyn M. McLean  
Dylan M. Villescascas  
Hinkle Shanor LLP  
P.O. Box 2068  
Santa Fe, NM 87504-2068  
Phone: (505) 982-4554  
dhardy@hinklelawfirm.com  
jmclean@hinklelawfirm.com  
dvillescascas@hinklelawfirm.com

**INTERESTED PARTY**

None

**ATTORNEY**

**STATEMENT OF THE CASE**

Mewbourne applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,269.92 acre, more or less, non-standard horizontal spacing unit comprised of Sections 19 and 20, Township 21 South, Range 27 East, Eddy County, New Mexico (“Unit”). Mewbourne seeks to dedicate the Unit to the following wells (“Wells”):

- a. The **Canal 20/19 Fed Com #712H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 20 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 19;
- b. The **Canal 20/19 Fed Com #714H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 20 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 19;
- c. The **Canal 20/19 Fed Com #716H** well, which will be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 21 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 19; and
- d. The **Canal 20/19 Fed Com #718H** well, which will be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 21 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 19.

With this Application, Mewbourne seeks approval of a non-standard horizontal spacing unit to allow it to consolidate surface facilities, which will reduce emissions and best prevent surface, environmental, and economic waste.

The completed intervals of the Wells will 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 Unit and Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 3 miles north of Carlsbad, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Brad Dunn	Landman	Affidavit	Approx. 6
Charles Crosby	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

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescascas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescascas@hinklelawfirm.com

*Counsel for Mewbourne Oil Company*

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

QUESTIONS

Action 415294

**QUESTIONS**

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 415294
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

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