

**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,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 25865 & 25867

MEWBOURNE'S CONSOLIDATED PRE-HEARING STATEMENT

Mewbourne Oil Company, ("Mewbourne" or "Applicant"), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, Mewbourne seeks orders pooling for the referenced acreage as follows:

- In **Case No. 25865**, Mewbourne seeks an order (1) approving an overlapping, 636.96-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying Lot 3, NE/4 SW/4, and N/2 SE/4 (N/2 S/2 equivalent)

of irregular Section 7, Township 19 South, Range 31 East, and the N/2 S/2 of Sections 12, 11, and 10, Township 19 South, Range 30 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in this acreage. Mewbourne seeks to initially dedicate the above-referenced overlapping spacing unit to the proposed **Toto 7/10 Federal Com 616H** well, with surface hole location in NW/4 SW/4 (Unit L) of Section 8, Township 19 South, Range 31 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 10, Township 19 South, Range 30 East.

This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- 156.96-acre horizontal well spacing unit comprised of Lot 3, NE/4 SW/4, and N/2 SE/4 (N/2 S/2 equivalent) of irregular Section 7, T19S-R31E, operated by Devon Energy Production Company, LP and dedicated to the Strawberry 7 Federal 006H (API No. 30-015-38195) and Strawberry 7 Federal 009H (API No. 30-015-41574);
- 40-acre vertical well spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 11, T19S-R30E, operated by Matador Production Company and dedicated to the Hale 11 Federal 002 (API No. 30-015-25832);
- 40-acre vertical well spacing unit comprised of the NE/4 SW/4 (Unit K) of Section 11, T19S-R30E, operated by Matador Production Company and dedicated to the Hale 11 Federal 001 (API No. 30-015-25778);
- 200-acre horizontal well spacing unit comprised of the N/2 S/2 of Section 10 and NW/4 SW/4 of Section 11, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 10 Federal 003H (API No. 30-015-40784);
- 160-acre horizontal well spacing unit comprised of the E/2 E/2 of Section 11, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 11 Federal 001H (API No. 30-015-38494);
- 160-acre horizontal well spacing unit comprised of the W/2 W/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 001H (API No. 30-015-39025);

- 160-acre horizontal well spacing unit comprised of the E/2 W/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 002H (API No. 30-015-40054); and
- 160-acre horizontal well spacing unit comprised of the W/2 E/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 001H (API No. 30-015-40837).
- In **Case No. 25867**, Mewbourne seeks an order (1) approving an overlapping, 636.96-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying Lot 4, SE/4 SW/4, and S/2 SE/4 (S/2 S/2 equivalent) of irregular Section 7, Township 19 South, Range 31 East, and the S/2 S/2 of Sections 12, 11, and 10, Township 19 South, Range 30 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted interests in this acreage. Mewbourne seeks to initially dedicate the above-referenced overlapping spacing unit to the proposed **Toto 7/10 Federal Com 618H** well, with surface hole location in NW/4 SW/4 (Unit L) of Section 8, T19S-R31E, to a bottom hole location in SW/4 SW/4 (Unit M) of Section 10, T19S-R30E.

This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- 157.12-acre horizontal well spacing unit comprised of Lot 4, SE/4 SW/4, and S/2 SE/4 (S/2 S/2 equivalent) of irregular Section 7, T19S-R31E, operated by Devon Energy Production Company, LP and dedicated to the Strawberry 7 Federal 004H (API No. 30-015-37258) and Strawberry 7 Federal 010H (API No. 30-015-41575);
- 280-acre horizontal well spacing unit comprised of the S/2 S/2 of Section 10, and S/2 SW/4 and SW/4 SE/4 of Section 11, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 10 Federal 004H (API No. 30-015-43847);

- 160-acre horizontal well spacing unit comprised of the E/2 E/2 of Section 11, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 11 Federal 001H (API No. 30-015-38494);
- 160-acre horizontal well spacing unit comprised of the W/2 W/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 001H (API No. 30-015-39025);
- 160-acre horizontal well spacing unit comprised of the E/2 W/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 002H (API No. 30-015-40054); and
- 160-acre horizontal well spacing unit comprised of the W/2 E/2 of Section 12, T19S-R30E, operated by Cimarex Energy Co. of Colorado and dedicated to the Crescent Hale 12 Federal 001H (API No. 30-015-40837).

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.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Peyton Warren, Landman	Self-Affirmed Statement	Approx. 5
Justin Roeder, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

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

Respectfully submitted,

HOLLAND & HART LLP

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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 539354

QUESTIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 539354
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS**Testimony**

Please assist us by provide the following information about your testimony.

Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>