

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

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

CASE NOS. 26076–26077

**APPLICATIONS OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 26078–26079

CONSOLIDATED PRE-HEARING STATEMENT

Mewbourne Oil Company (“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

None.

ATTORNEYS

STATEMENT OF THE CASES

In **Case No. 26076**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying an 317.79-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lot 7, SE/4 SW/4 and the S/2 SE/4 (S/2 S/2 equivalent) of irregular Section 6 and the S/2 S/2 of irregular Section 5, Township 18 South, Range 30 East, Eddy County,

New Mexico. This unit will be dedicated to the **Cerros Locos 6/5 Fed Com #528H** well, which will be drilled from a surface hole location in Lot 5 (SW/4 NW/4 equivalent) of irregular Section 6 to a bottom hole location in SE/4 SE/4 (Unit P) of irregular Section 5.

The spacing unit for the Cerros Locos 6/5 Fed Com #528H well will partially overlap with the spacing unit for the Holly 5 Federal #002H (API No. 30-015-36411) located in a 120-acre, more or less, standard spacing unit comprised of the SE/4 SW/4 and S/2 SE/4 of Section 5, which produces from the Sand Tank; Bone Spring Pool (Code 96832).

In **Case No. 26077**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying an 317.74-acre, more or less, standard, overlapping horizontal spacing unit comprised of Lot 6, NE/4 SW/4 and the N/2 SE/4 (N/2 S/2 equivalent) of irregular Section 6 and the N/2 S/2 of irregular Section 5, Township 18 South, Range 30 East, Eddy County, New Mexico. This unit will be dedicated to the **Cerros Locos 6/5 Fed Com #526H** well, which will be drilled from a surface hole location in Lot 5 (SW/4 NW/4 equivalent) of irregular Section 6 to a bottom hole location in NE/4 SE/4 (Unit I) of irregular Section 5.

The spacing unit for the Cerros Locos 6/5 Fed Com #526H well will partially overlap with the spacing unit for the Holly 5 Federal #003H (API No. 30-015-36916) located in a 160-acre, more or less, standard spacing unit comprised of the N/2 S/2 of Section 5, which produces from the Sand Tank; Bone Spring Pool (Code 96832).

In **Case No. 26078**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying an 477.68-acre, more or less, standard horizontal spacing unit comprised of Lot 5, SE/4 NW/4 and the S/2 NE/4 (S/2 N/2 equivalent) of irregular Section 6 and the S/2 N/2 of irregular Sections 5 and 4, Township 18 South, Range 30 East, Eddy County, New Mexico. This unit will be dedicated to the **Cerros Locos 6/4 Fed Com #523H** well, which will be

drilled from a surface hole location in Lot 5 (SW/4 NW/4 equivalent) of irregular Section 6 to a bottom hole location in SE/4 NE/4 (Unit H) of irregular Section 4.

In **Case No. 26079**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying an 478.45-acre, more or less, standard horizontal spacing unit comprised of Lots 1–4 (N/2 N/2 equivalent) of irregular Sections 4, 5, and 6, Township 18 South, Range 30 East, Eddy County, New Mexico. This unit will be dedicated to the **Cerros Locos 6/4 Fed Com #521H** well, which will be drilled from a surface hole location in Lot 5 (SW/4 NW/4 equivalent) of irregular Section 6 to a bottom hole location in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 4.

The completed intervals of the Cerros Locos 6/4 Fed Com Wells and Cerros Locos 6/5 Fed Com Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Cerros Locos 6/4 Fed Com Wells and Cerros Locos 6/5 Fed Com Wells, the allocation of the costs, the designation of Applicant as the operator of the Units and Cerros Locos 6/4 Fed Com Wells and Cerros Locos 6/5 Fed Com Wells, and a 200% charge for the risk involved in drilling and completing the Cerros Locos 6/4 Fed Com Wells and Cerros Locos 6/5 Fed Com Wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Josh Anderson	Landman	Affidavit	Approx. 6
Charles Crosby	Geologist	Affidavit	Approx. 3

PROCEDURAL MATTERS

Applicant intends to consolidate these cases and present the cases by affidavit if there are no objections to its applications.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy _____

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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 580720

QUESTIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88240	OGRID: 14744
	Action Number: 580720
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<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>