

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

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

Case No. 21361

**MEWBOURNE OIL COMPANY'S
PRE-HEARING STATEMENT**

Mewbourne Oil Company ("Mewbourne") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company

APPLICANT'S ATTORNEYS

Dana S. Hardy
Dioscorro "Andy" Blanco
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
dblancob@hinklelawfirm.com

PARTIES

Ascent Energy, LLC

PARTIES' ATTORNEYS

Darin C. Savage
Andrew D. Schill
William E. Zimsky
Abadie & Schill, P.C.
214 McKenzie St.
Santa Fe, NM 87501
Phone: (970) 385-4401
darin@abadieschill.com
andrew@abadieschill.com
bill@abadieschill.com

Apache Corporation

Earl E. DeBrine, Jr.
Deana M. Bennett
Lance D. Hough
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Phone: (505) 848-1800
edebrine@modrall.com
dmb@modrall.com
ldh@modrall.com

EOG Resources, Inc.

Ernest L. Padilla
Padilla Law Firm, P.A.
Post Office Box 2523
Santa Fe, NM 87504
Phone: (505) 988-7577
padillalaw@qwestoffice.net

STATEMENT OF THE CASE

Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33 and the E/2 W/2 of Section 28, Township 20 South, Range 30 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Sidecar 33/28 B3NC Fed Com #1H well, which will be horizontally drilled from a surface location in Lot 1 in Section 4, Township 21 South, Range 29 East to a bottom hole location in Unit C in Section 28, Township 20 South, Range 30 East. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The granting of Mewbourne's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Tyler Jolly (Landman)	30 minutes	Approx. 10
Nate Cless (Geologist)	30 minutes	Approx. 6
Travis Cude (Engineer)	20 minutes	Approx. 6

Mewbourne reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

Mewbourne has filed a motion requesting that this matter be referred to the New Mexico Oil Conservation Commission (“Commission”) for hearing in conjunction with the *de novo* hearing in Commission Case Nos. 21277 through 21280.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Dioscorro “Andy” Blanco

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

dblanco@hinklelawfirm.com

Counsel for Mewbourne Oil Company

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of July, 2020, I served a true and correct copy of the foregoing pleading on the following counsel of record by electronic mail:

Earl E. DeBrine, Jr.
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Phone: (505) 848-1800
edebrine@modrall.com
Counsel for Apache Corporation

Darin C. Savage
Andrew D. Schill
William E. Zimsky
Abadie & Schill, P.C.
214 McKenzie St.
Santa Fe, NM 87501
Phone: (970) 385-4401
darin@abadieschill.com
andrew@abadieschill.com
bill@abadieschill.com
Counsel for Ascent Energy LLC

Ernest L. Padilla
Padilla Law Firm, P.A.
Post Office Box 2523
Santa Fe, NM 87504
Phone: (505) 988-7577
padillalaw@qwestoffice.net
Counsel for EOG Resources, Inc.

/s/ Dana S. Hardy
Dana S. Hardy