

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

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

**CASE NO. 25435**

**PRE-HEARING STATEMENT**

Mewbourne Oil Company (“Applicant”) files this pre-hearing statement with the Oil Conservation Division pursuant to Division Rules.

**APPEARANCES**

**APPLICANT**

Mewbourne Oil Company  
Suire 1020  
500 West Texas  
Midland, Texas 79701

**APPLICANT’S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
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Attention: Adriana Salgado-Jimenez

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

**OPPONENT**

Devon Energy Production Company, L.P.

**OPPONENT’S ATTORNEY**

Hardy & McLean

**STATEMENT OF THE CASE**

**APPLICANT**

Mewbourne Oil Company (“Applicant”) has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a proximity tract horizontal spacing unit comprised of the W/2 of Section 21, the W/2 of Section 28, and the W/2 of Section 33, Township 21 South, Range 35 East, NMPM, Lea County, New Mexico (the “Unit). Applicant proposes to drill the following wells in the Unit to test the Bone Spring formation:

- (a) The North Wilson Deep Unit Well No. 17H, with a first take point in the NW/4NW/4 of Section 21 and a last take point in the SW/4SW/4 of Section 33;
- (b) The North Wilson Deep Unit Well No. 18H, with a first take point in the NW/4NW/4 of Section 21 and a last take point in the SW/4SW/4 of Section 33; and
- (c) The North Wilson Deep Unit Well No. 19H, with a first take point in the NE/4NW/4 of Section 21 and a last take point in the SE/4SW/4 of Section 33.

Also to be considered will be the cost of drilling, completing, testing, and equipping the wells, and the allocation of the cost thereof among the wells' working interest owners, designation of Applicant as operator of the wells and the Unit, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

<u>Witnesses</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Adriana Salgado-Jimenez (Landman)	10 minutes	Approx. 5
Justin Roeder (Geologist)	10 minutes	Approx. 5

OPPONENT

<u>Witnesses</u>	<u>Estimated Time</u>	<u>Exhibits</u>
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**PROCEDURAL MATTERS**

Respectfully submitted,




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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 481274

**QUESTIONS**

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 481274
	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>