

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

2014 MAR 12 P 2:36

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

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

Case No. 15,089

**APPLICATION OF PREMIER OIL & GAS, INC.
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 15,104

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

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

Attention: Corey Mitchell
(432) 682-3715

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Premier Oil & Gas, Inc.

OPPONENT'S ATTORNEY

Michel Feldewert
Adam G. Rankin
Holland & Hart, LLP

STATEMENT OF THE CASE

APPLICANT

In Case 15089, Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the E/2 of Section 22, Township 26 South, Range 27 East,

NMPM, to form a standard 320 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit is to be dedicated to the Owl Draw 22 BO Fed. Com. Well No. 1H, a horizontal well with a surface location 330 feet from the north line and 1650 feet from the east line, and a terminus 330 feet from the south line and 1980 feet from the east line, of Section 22. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

In Case 15014, Premier Oil & Gas, Inc. seeks to pool the same well unit for a well also to be drilled to the Wolfcamp formation.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Corey Mitchell (landman)	15 min.	Approx. 8
Roger Townsend (geologist)	15 min.	Approx. 5
Drew Robison (engineer)	15 min.	Approx. 4

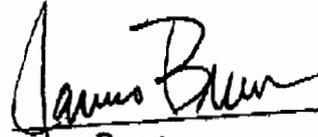
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

- (1) The two cases concern the same lands, and should be consolidated for hearing.
- (2) Mewbourne will request that these matters be continued to the May 1, 2014 Examiner Hearing.

Respectfully submitted,



James Bruce
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Attorney for Mewbourne Oil Company