

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

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

**APPLICATION OF MEWBOURNE OIL COMPANY  
FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 15886**

**APPLICATION OF MEWBOURNE OIL COMPANY  
FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 15887**

**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: Mitch Robb  
(432) 682-3715

**APPLICANT'S ATTORNEY**

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

**OPPONENT**

**OPPONENT'S ATTORNEY**

**STATEMENT OF THE CASE**

**APPLICANT**

Case 15886: Mewbourne Oil Company seeks an order approving a 312.51-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 1,

NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 31 and the N/2N/2 of Section 32, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2N/2 of Section 31 and the N/2N/2 of Section 32 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Pavo Macho 31/32 B2DA Fed. Com. Well No. 1H, a horizontal well with a surface location in Lot 1 of Section 31, and a terminus in the NE/4NE/4 of Section 32. 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.

Case 15887: Mewbourne Oil Company seeks an order approving a 312.66-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 2, SE/4NW/4, and S/2NE/4 (the S/2N/2) of Section 31 and the S/2N/2 of Section 32, Township 18 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2N/2 of Section 31 and the S/2N/2 of Section 32 for all pools developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Pavo Macho 31/32 B2EH Fed. Com. Well No. 1H, a horizontal well with a surface location in Lot 2 of Section 31, and a terminus in the SE/4NE/4 of Section 32. 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

### **PROPOSED EVIDENCE**

#### APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Mitch Robb (landman)	20 min.	Approx. 8
Jordan Carrell (geologist)	20 min.	Approx. 10

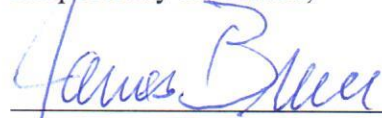
#### OPPONENT

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

Applicant requests that these matters be consolidated for hearing.

Respectfully submitted,



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James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Mewbourne Oil Company