

**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. 15913

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

FEB 20 2018 PM02:50

Case No. 15914

AMENDED 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

RSC Resources, L.P., Hold the Door, L.P.,
PJT Energy, Inc., and P.T. Resources, L.P.

OPPONENT'S ATTORNEY

J. Scott Hall

OTHER PARTIES

Chevron U.S.A. Inc.

OTHER PARTIES' ATTORNEY

Michael H. Feldewert
Adam G. Rankin

COG Operating LLC

Ocean Munds-Dry
William F. Carr

Devon Energy Production Company, L.P.

Candace Callahan

STATEMENT OF THE CASE

APPLICANT

Case No. 15913: Mewbourne Oil Company seeks an order approving a 478.13 acre non-standard spacing and proration unit in the Wolfcamp formation underlying Lots 3-7, SE/4NW/4, and E/2SW/4 (the W/2) of Section 6 and Lots 1, 2, and E/2NW/4 (the NW/4) of Section 7, Township 24 South, Range 29 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the Pecos Valley W2ED Fed. Com. Well No. 1H, a horizontal well with a surface location in the Lot 3 of Section 7, and a terminus in Lot 4 of Section 6. The producing interval will be orthodox. 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 No. 15914: Mewbourne Oil Company seeks an order approving a 479.88 acre non-standard spacing and proration unit in the Wolfcamp formation underlying Lots 1, 2, S/2NE/4, and SE/4 (the E/2) of Section 6 and the NE/4 of Section 7, Township 24 South, Range 29 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to (i) the Pecos Valley W2AH Fed. Com. Well No. 1H, a horizontal well with a surface location in Lot 1 of Section 6, and a terminus in the SE/4NE/4 of Section 7, and (ii) the Pecos Valley W0AH Fed. Com. Well No. 2H, a horizontal well with a surface location in Lot 1 of Section 6, and a terminus the SE/4NE/4 of Section 7. The producing interval of each well will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

OTHER PARTIES

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Corey Mitchell (landman)	25 min.	Approx. 12
Nate Cless (geologist)	20 min.	Approx. 8
Travis Cude (engineer)	15 min.	Approx. 4

OPPONENT

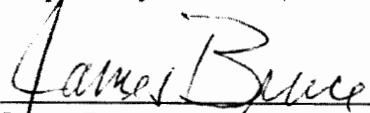
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

OTHER PARTIES

PROCEDURAL MATTERS

Applicant requests that these matters be consolidated for hearing, together with Case No. 15968 filed by RSC Resources, L.P.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

Attorney for Mewbourne Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 10th day of February, 2018 by e-mail:

J. Scott Hall
shall@montand.com

Michael H. Feldewert
mfeldewert@hollandhart.com

Adam G. Rankin
agrarkin@hollandhart.com

Ocean Munds-Dry
omundsdry@concho.com

William F. Carr
wcarr@concho.com

Candace Callahan
ccallahan@bwenergy.com


James Bruce