# 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.

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

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Corey Mitchell

(432) 682-3715

**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**

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

# **OPPONENT**

WITNESSES	EST. TIME	<b>EXHIBITS</b>
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## 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

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(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 <u>luyu</u> day of February, 2018 by e-mail:

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