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 COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 21131

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

Case No. 21132

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

Attention:

500 West Texas

Midland, Texas 79701

Brad Dunn

(432) 682-3715

OPPONENT

XTO Energy Inc.

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

Holland & Hart LLP

James Bruce

P.O. Box 1056

(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

Case No. 21131: Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 29 and the E/2E/2 of Section 20, Township 19 South, Range 35 East, NMPM. The unit will be

dedicated to the Hereford 29/20 B1PA State Com. Well No. 1H, with a first take point in the SE/4SE/4 of Section 29 and a last take point in the NE/4NE/4 of Section 20.

Case No. 21132: Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 29 and the W/2E/2 of Section 20, Township 19 South, Range 35 East, NMPM. The unit will be dedicated to the Hereford 29/20 W1OB Fed. Com. Well No. 1H, with a first take point in the SW/4SE/4 of Section 29 and a last take point in the NW/4NE/4 of Section 20.

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 cost plus 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	EXHIBITS
	Brad Dunn (landman)	10 min.	Approx. 12
	Charlie Crosby (geologist)	10 min.	Approx. 12
<u>OPPONENTS</u>			
	WITNESSES	EST. TIME	EXHIBITS

PROCEDURAL MATTERS

If unopposed applicant intends to present the cases by affidavit.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 ______ day of January, 2020 by e-mail:

Michael Feldewert <u>mfeldewert@hollandhart.com</u>

Adam Rankin agrankin@hollandhart.com

Julia Broggi <u>jbroggi@hollandhart.com</u>

Kaitlyn Luck <u>kaluck@hollandhart.com</u>

James Bruce