

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

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

Case Nos. 21430 – 21432

**APPLICATIONS OF COLGATE OPERATING, LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case Nos. 21379 & 21380

AMENDED, CONSOLIDATED PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mewbourne Oil Company ("Mewbourne") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company
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500 West Texas
Midland, Texas 79701

Attention: Tyler Jolly
(432) 682-3715

APPLICANT'S ATTORNEY

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

OPPONENT

Colgate Operating, LLC

OPPONENT'S ATTORNEY

Earl DeBrine
Lance D. Hough

STATEMENT OF THE CASE

APPLICANT

Case No. 21340: Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 35 and the N/2N/2 of Section 36, Township 19 South, Range 29 East, NMPM. The unit will be dedicated to the Iron Horse 35/36 B3EH Fed. Com. Well No. 1H, with a first take point in the SW/4NW/4 of 35 and a last take point in the SE/4NE/4 of Section 36.

Case No. 21341: Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 35 and the S/2N/2 of Section 36, Township 19 South, Range 29 East, NMPM. The unit will be dedicated to the Iron Horse 35/36 B3EH Fed. Com. Well No. 1H, with a first take point in the SW/4NW/4 of 35 and a last take point in the SE/4NE/4 of Section 36.

Case No. 21432: Mewbourne seeks an order pooling all mineral interests in the Wolfcamp formation underlying a (proximity) horizontal spacing unit comprised of the N/2 of Section 35 and the N/2 of Section 36, Township 19 South, Range 29 East, NMPM. The unit will be dedicated to the Iron Horse 35/36 W0DA Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 35 and a last take point in the NE/4NE/4 of Section 36.

Also to be considered will be the cost of drilling, completing, and equipping 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.

Mewbourne opposes Colgate Operating, LLC's ("Colgate") applications because they are uncertain: Colgate has provided no information on surface hole locations, first take points, and last take points for its wells. Mewbourne's development plan is comprehensive and includes plans for developing both the Bone Spring and Wolfcamp formations. In addition, Mewbourne has drilled numerous wells in this area and thus it has substantial experience. Colgate has not drilled Wolfcamp wells in this area.

OPPONENT

Case No 21379: Colgate seeks an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2N/2 of Section 35 of Section 35 and the N/2N/2 of Section 36, Township 19 South, Range 29 East, NMPM. This spacing unit will be dedicated to the Silver Bar 35 Fed State Com 131H wells.

Case No. 21380: Colgate seeks an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2N/2 of Section 35 and the S/2N/2 of Section 36, Township 19 South, Range 29 East, NMPM. This spacing unit will be dedicated to the Silver Bar 35 Fed State Com 132H wells.

Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 15.5 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Tyler Jolly (landman)	20 min.	Approx. 8
Charles Cosby (geologist)	20 min.	Approx. 8
Travis Cude (engineer – possible rebuttal witness)	15 min.	None

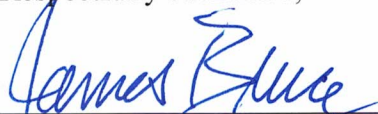
OPPONENT

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

The cases should be consolidated for hearing.

Respectfully submitted,



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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 11th day of February, 2021 by e-mail:

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Lance Hough
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James Bruce