STATE OF NEW MEXICO () () () ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 12: 45

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 COMPUL SORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 15,107

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

OPPONENT

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe. New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2N/2 of Section 27, Township 18 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the N/2N/2 of Section 27 to form a non-standard 160 acre oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Ursa 27 DA Fed. Com. Well No. 4H, a horizontal well with a surface location in the NW/4NW/4, and a terminus in the NE/4NE/4, of Section 27.

OPPONENT

PROPOSED EVIDENCE

<u>APPLICANT</u>

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

Corey Mitchell 15 min. Approx. 7

(landman)

Nate Cless 15 min. Approx. 5

(geologist)

OPPONENT

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

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

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Attorney for Mewbourne Oil Company