

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

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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,
LEA COUNTY, NEW MEXICO.

Case No. 15,340

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: Paul Haden
(432) 682-3715

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

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 Lower Bone Spring formation (Querecho Plains-Lower Bone Spring Pool) comprised of the W/2E/2 of Section 28, Township 18 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Lower Bone Spring formation underlying the W/2E/2 of Section 28 for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Querecho 28 OB Fed. Com. Well No. 1H, a horizontal well with a surface location 170 feet from the south line and 1420 feet

from the east line, and a terminus 333 feet from the north line and 2226 feet from the east line, of Section 28. Also to be considered will be the designation of applicant as operator of the well.

Applicant seeks to pool only record title owners of federal leases for the purpose of obtaining approval of a communitization agreement from the BLM.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Paul Haden (landman)	10 min.	Approx. 6
Nathan Cless (geologist)	10 min.	Approx. 4

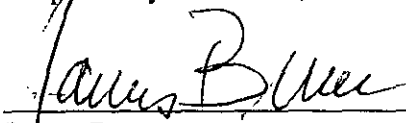
OPPONENT

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

Applicant anticipates no objection to the application, and intends to present it by affidavit.

Respectfully submitted,


James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company