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

2015 OCT -8 P 5: 49

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 (Re-opened)

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:

Clayton Pearson

(432) 682-3715

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.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

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

Clayton Pearson 10 min. Approx. 6

(landman)

Nathan Cless 10 min. Approx. 4 (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