

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

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**APPLICATION OF MEWBOURNE OIL COMPANY
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15449

PRE-HEARING STATEMENT

BLACK MOUNTAIN OPERATING LLC, ("Black Mountain"), provisionally provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

BLACK MOUNTAIN OPERATING LLC BLACK MOUNTAIN OPERATING
LLC'S ATTORNEYS

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MONTGOMERY & ANDREWS, P.A.
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APPLICANT

MEWBOURNE OIL COMPANY

APPLICANT'S ATTORNEY

James Bruce
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STATEMENT OF THE CASE

Applicant Mewbourne Oil Company seeks an order (i) approving a 160-acre non-standard oil spacing and proration unit in the Bone Spring formation comprised of the S½S½ of

Section 28, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and (ii) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit.

OPPONENT'S POSITION

Black Mountain Operating LLC opposes Mewbourne's compulsory pooling Application. The lands and interests that are the subject of the Application are subject to a pre-existing Joint Operating Agreement and therefore, the lands are not available to be force pooled.

PROPOSED EVIDENCE

<u>OPPONENT:</u> BLACK MOUNTAIN OPERATING LLC	<u>EST. TIME</u>	<u>EXHIBITS</u>
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<u>WITNESSES:</u> Luke Mildren, Land	20	4
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<u>APPLICANT:</u> MEWBOURNE OIL COMPANY	<u>EST. TIME</u>	<u>EXHIBITS</u>
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<u>WITNESSES:</u>		
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PROCEDURAL MATTERS

Black Mountain will file a motion to dismiss Mewbourne's Application.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: 

J. Scott Hall

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Attorneys for Black Mountain Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on March 24, 2016:

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
jamesbruc@aol.com

A handwritten signature in black ink, appearing to read "J. Scott Hall", written over a horizontal line.

J. Scott Hall