

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

**APPLICATION OF MEWBOURNE OIL COMPANY TO REVOKE THE INJECTION  
AUTHORITY GRANTED UNDER SWD-744 FOR THE WILLOW LAKE WELL NO. 1  
OPERATED BY PYOTE WELL SERVICE, LLC, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 15519**

**PRE-HEARING STATEMENT**

Mewbourne Oil Company ("Mewbourne"), the applicant in the above-referenced matter,  
submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Mewbourne Oil Company  
500 West Texas, Ste. 1020  
Midland, TX 79701  
(432) 682-371-5110

**ATTORNEY**

Michael H. Feldewert, Esq.  
Jordan L. Kessler, Esq.  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile

**OPPONENT**

Pyote Water Systems  
400 W. Illinois, Suite 950  
Midland, Texas 79701

**ATTORNEY**

None

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**STATEMENT OF THE CASE**

Mewbourne Oil Company ("Mewbourne") seeks an order revoking the injection authority granted by Administrative Order SWD-744 for the Willow Lake Well No. 1 (30-015-21499), a produced water disposal well, located 660 feet from the North line and 1980 feet from the West

line (Unit C) in Section 22, Township 24 South, Range 28 East, N.M.P.N., Eddy County, New Mexico (the “Willow Lake SWD”). The operator of record for the subject well is Pyote Well Service, LLC (“Pyote”).

SWD-744 authorized disposal in the Bone Spring formation through perforations at depths of “approximately 7,184 feet to approximately 8,850 feet” (“injection zone”). Though it is unclear where the current perforations are in the Willow Lake SWD, the approved injection zone includes the oil and gas zones that have proven to be productive or potentially productive of hydrocarbons. Recent horizontal wells completed in the Bone Spring formation underlying acreage offsetting the Willow Lake SWD have exhibited abnormally high and increasing water cuts impacting the production of hydrocarbons. The injection zone is potentially productive of hydrocarbons, and the continued operation of the Willow Lake SWD is negatively affecting the correlative rights of Mewbourne and other offsetting operators to recover reserves from the Bone Spring formation underlying their acreage.

#### **APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Nathan Cless, Petroleum Geologist	Approx. 20 minutes	Approx. 4
Tim Harrington, Petroleum Engineer	Approx. 35 minutes	Approx. 11

#### **PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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Jordan L. Kessler  
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(505) 988-4421  
(505) 983-6043 Facsimile  
[mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
[jlkessler@hollandhart.com](mailto:jlkessler@hollandhart.com)

**ATTORNEYS FOR MEWBOURNE OIL COMPANY**