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STATE OF NEW MEXICO 2016 SEP 22 P 3: 54
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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

CASE NO. 15553

PRE-HEARING STATEMENT

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

APPEARANCES

OPPONENT: BLACK MOUNTAIN
OPERATING LLC

BLACK MOUNTAIN OPERATING
LLC'S ATTORNEY

J. Scott Hall, Esq.
MONTGOMERY & ANDREWS, P.A.
P.O. Box 2307
Santa Fe, NM 87504-2307
Tele (505) 982-3873
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APPLICANT

MEWBOURNE OIL COMPANY

APPLICANT'S ATTORNEY

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

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 W½
W½ of Section 15, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, and
pooling all mineral interests in the Bone Spring formation underlying the non-standard unit.

Black Mountain owns certain working interests that would be included in Mewbourne's proposed spacing and proration unit. Black Mountain has notified Mewbourne that it intends to participate in the Pronghorn 15B3DM Fed Com 1H Well and has executed Mewbourne's AFE.

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 Manager	15 Min.	5
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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

None.

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 September 22, 2016:

James Bruce
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J. Scott Hall
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