

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

IN THE MATTER OF THE HEARINGS CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 14,273

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 14,275

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, **NEW MEXICO.**

Case No. 14,276

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:

Corey Mitchell

(432) 682-3715

cmitchell@Mewbourne.com

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

<u>APPLICANT</u>

Case No. 14,273: Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the NE/4SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetary-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" I Well No. 1, to be drilled at an orthodox location in the NE/4SE/4 of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 14,275: Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SW/4SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetary-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" O Well No. 1, to be drilled at an orthodox location in the SW/4SE/4 of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

Case No. 14,276: Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SE/4SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetary-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" P Well No. 1, to be drilled at an orthodox location in the SE/4SE/4 of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

EST. THVIE	EXHIBITS
25 min.	Approx. 10
	EST. TIME 25 min.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

These cases involve lands with common mineral ownership. Therefore, applicant requests that the cases be consolidated for hearing.

Respectfully submitted,

James Bruce

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Attorney for Mewbourne Oil Company