

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

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

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

2011-5  
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RECEIVED  
OCD  
CASE NO. 14645

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Mewbourne Oil Company  
Attn: Mr. Corey Mitchell  
500 West Texas, Suite 1020  
Midland, Texas 79701  
(432) 682-3715

**ATTORNEY**

William F. Carr, Esq.  
Ocean Munds-Dry, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
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*W.F. Carr*

**STATEMENT OF CASE**

Mewbourne Oil Company seeks an order creating a non-standard spacing unit comprised of the SE/4 SW/4 of Section 24 and the E/2 NW/4 of Section 25, Township 19 South, Range 25 East, NMPM, which will be the horizontal well project area for the Wyatt Draw "24/25" NF Federal Com No. 1H Well to be horizontally drilled from a surface location 1650 feet from the South line and 2290 feet from the West line of Section 24 and then in a southerly direction in the Yeso formation, to a bottom hole terminus at a location 2310 feet from the North line and 2290 feet from the West line of Section 25, both in Township 19 South, Range 25 East, approving an unorthodox well location in the Yeso formation, and pooling all mineral interests in the Yeso formation, North Seven Rivers, Glorieta, Yeso Pool, in this non-standard spacing and proration unit - horizontal well project area. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs

and charges for supervision, designation of Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well.

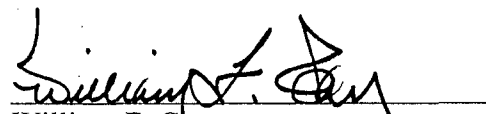
### PROPOSED EVIDENCE

#### APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Mr. Corey Mitchell Landman	10 Minutes	Approximately 6
Mr. Jason Lodge Geologist	10 Minutes	Approximately 3

### PROCEDURAL MATTERS

Mewbourne Oil Company has none at this time.

  
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William F. Carr  
Attorney for Mewbourne Oil Company