

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

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

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

Case No. 14,643

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order approving an 80-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the W/2SW/4 of Section 15, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Limousine 15 ML Well No. 1, a horizontal well with a surface location 245 feet from the north line and 370 feet from the west line of adjoining

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Section 22, and a terminus 2310 feet from the south line and 370 feet from the west line of Section 15. The producing interval of the well will be orthodox, although the well will penetrate the top of the Glorieta-Yeso formation at an unorthodox location in the SW¼SW¼ of Section 15. Applicant seeks approval of the unorthodox location. 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

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Corey Mitchell (landman)	15 min.	Approx. 5
Jason Lodge (geologist)	15 min.	Approx. 4

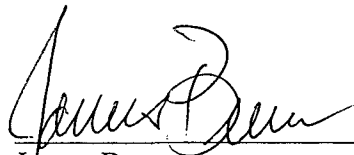
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mewbourne Oil Company