STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION⁰¹⁵ OCT -9 P 12:38

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

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

Case No. 15,384

CORRECTED 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: Clayton Pearson (432) 682-3715

<u>OPPONENT</u>

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 27, Township 23 South, Range 28 East, NMPM, for all pools developed on 320 acre spacing within that vertical extent. The unit is to be dedicated to the Speedwagon 27 W2DM Fee Well No. 1H, a horizontal well with a surface location 190 feet from the north line and 660 feet from the west line, and a terminus 330 feet from the south line and 660 feet from the west line, of Section 27. The terminus is unorthodox. 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>

Clayton Pearson

EST. TIME

EXHIBITS

Approx. 6

Nathan Cless (geologist)

(landman)

10 min.

10 min.

Approx. 4

<u>OPPONENT</u>

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,

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James Bruce⁷ Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Mewbourne Oil Company