

**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:**

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

Case No. 20112

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

Attention: Corey Mitchell
(432) 682-3715

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling of all mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the E/2 of Section 1, Township 26 South, Range 29 East, NMPM, and the E/2 of Section 36, Township 25 South, Range 29 East, NMPM. The unit will be dedicated to (i) the Buffalo Trace 1/36 W1PA Fed. Com. Well No. 1H, and (ii) the Buffalo Trace 1/36 W1PA Fed. Com. Well No. 2H. Both wells are horizontal wells with surface locations in the NE/4NE/4 of adjoining Section 12, first take points in the SE/4SE/4 of Section 1, and final take points in the NE/4NE/4 of Section 36. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as

operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Ray Winkeljohn (landman)	15 min.	Approx. 6
Tyler Hill (geologist)	15 min.	Approx. 4

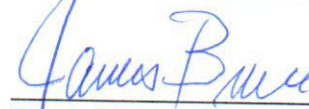
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

PROCEDURAL MATTERS

If there is no opposition, applicant will submit this case by affidavit.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company