

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

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

CASE NO. 20796

APPLICANT'S PRE-HEARING STATEMENT

Mewbourne Oil Company ("Applicant"), through undersigned counsel, files this Pre-Hearing Statement pursuant to section 19.15.4.13.B NMAC.

APPEARANCES

APPLICANT
Mewbourne Oil Company
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500 West Texas
Midland, TX 79701

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APPLICANTS' ATTORNEY
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STATEMENT OF THE CASE

Mewbourne Oil Company ("Applicant") seeks an order pooling all mineral interests in the Bone Spring formation (Avalon; Bone Spring East Pool Code 3713) underlying a 640 acre, more or less, horizontal spacing unit comprised of the S/2 of Section 31 and the S/2 of Section 32, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the **Normandy 31/32 B3LI Federal Com #1H** well to be drilled to a depth sufficient to test the Bone Spring formation from a surface hole location in the NW/4 SW/4 (Lot 3) of Section 31 (2549' FSL and 360' FWL), with a first take point 1340' FSL and 100' FWL of Section 31, and a final take point in the NE/4 SE/4 (Unit I) of Section 32 (1340' FSL and 100'

FEL). Also to be considered are Applicant's designation as the operator of the spacing unit and the wells, the cost of drilling and completing the wells and allocation of the costs thereof, as well as the actual operating charges and costs of supervision, and imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells.

PROPOSED EVIDENCE

Applicants' Proposed Evidence

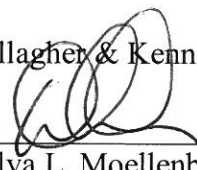
WITNESS	ESTIMATED TIME	EXHIBITS
Adriana Salgado, Landman	15 minutes	Approx. 6
Charles Crosby, Geologist	15 minutes	Approx. 6

PROCEDURAL MATTERS

As of the date of this Pre-Hearing Statement, no other person has appeared. In the event this case is unopposed, Applicant may request to submit this case for decision based upon affidavit.

RESPECTFULLY SUBMITTED

Gallagher & Kennedy, P.A.

By 
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