

**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. 14,298

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: D. Paul Haden
(432) 682-3715
phaden@Mewbourne.com

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

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 29, Township 22 South, Range 26 East, NMPM, and in the following manner: The E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including Undesignated Southeast Carlsbad-Wolfcamp Gas Pool, Northeast Sheep Draw-Strawn Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, Undesignated South Happy Valley-Atoka Gas Pool, and Southeast Happy Valley-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all

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formations or pools developed on 160-acre spacing within that vertical extent; and the NE/4NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Southeast Happy Valley-Delaware Pool, Undesignated Southeast Happy Valley-Bone Spring Pool, and Undesignated Southeast Happy Valley-Wolfcamp Pool. The units are to be dedicated to the proposed Huckleberry Draw "29" Com. Well No. 1, to be drilled at an orthodox location in the NE/4NE/4 of Section 29. 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

WITNESSES

EST. TIME

EXHIBITS

D. Paul Haden
(landman)

15 min.

Approx. 5

OPPONENT

WITNESSES

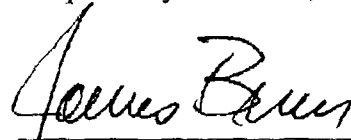
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Mewbourne Oil Company