

**BEFORE THE
NEW MEXICO ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

CASE NO. 12755

**CIBOLA ENERGY CORP.'S AND HARVEY E. YATES CO.'S
PRE-HEARING STATEMENT**

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CLERK OF COURSE

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, attorneys for Cibola Energy Corporation and for Harvey E. Yates Company as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Mewbourne Oil Company

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504
505.982.2043

OPPONENT

Cibola Energy Corporation
Post Office Box 1668
Albuquerque, New Mexico 87103

Harvey E. Yates Company
Post Office Box 1933
Roswell, New Mexico 88202

OPPONENT'S ATTORNEY

Michael H. Feldewert, Esq.
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Post Office Box 2208
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STATEMENT OF CASE

Mewbourne seeks an order pooling all mineral interests from 500 feet below the top of the San Andres formation to the base of the Morrow formation under the W/2 equivalent of Section 18, Township 18 South, Range 29 East to form spacing units for its proposed Remington “18” State Com Well No. 2 to be drilled at a standard location in the SE/4 SW/4 of Section 18.

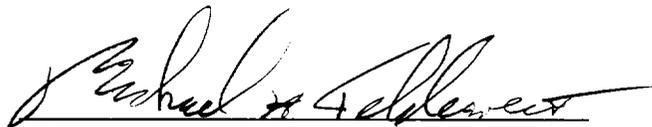
Cibola Energy Corporation and Harvey E. Yates Company object to Mewbourne’s application on the grounds that Mewbourne failed to engage in good faith efforts to reach a voluntary agreement with Cibola Energy Corporation and Harvey E. Yates Company prior to filing its pooling application with the Division. Cibola Energy Corporation and Harvey E. Yates Company may also oppose the risk penalty and overhead expenses sought by Mewbourne for this project.

PROPOSED EVIDENCE

WITNESSES	ESTIMATED TIME	EXHIBITS
Melissa Randle, Landman	10 Minutes	Approx. 3
Richard Williams, Landman	10 Minutes	Approx. 3

PROCEDURAL MATTERS

There are no procedural matters at this time.

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert
Attorney for Cibola Energy Corporation and
for Harvey E. Yates Company

CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of December, 2001, I have caused to be delivered by facsimile a copy of our Pre-Hearing Statement in the above-captioned case to the following counsel of record:

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504
Fax No. 505.982.2151



Michael H. Feldewert