

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

**APPLICATIONS OF MEWBOURNE OIL COMPANY
TO POOL ADDITIONAL INTEREST OWNERS, EDDY
COUNTY, NEW MEXICO.**

CASE NOS. 25326 & 25327

PRE-HEARING STATEMENT

Mewbourne Oil Company ("Mewbourne") files this pre-hearing statement with the Oil Conservation Division pursuant to Division Rules.

APPEARANCES

APPLICANT

Mewbourne Oil Company
Suire 1020
500 West Texas
Midland, Texas 79701

Attention: Carson Cullen

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 660-6612

jamesbruc@aol.com

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 25326: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23299. The order pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the N/2 of Section 9 and the N/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit"). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 711H, with a first take point in the NE/4NE/4 of Section 9 and a final take point in the NW/4NW/4 of Section 8; and (b) The Sandlot 9/8 Fee Well No. 713H, with a first take point in the SE/4NE/4 of Section 9 and a final take point in the SW/4NW/4 of Section 8 (collectively, the "Wells").

Case No. 25327: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23300. The order pooled

uncommitted mineral interest owners in the Wolfcamp formation underlying a standard horizontal spacing unit comprised of the S/2 of Section 9 and the S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit"). The following wells are in the Unit: (a) The Sandlot 9/8 Fee Well No. 716H, with a first take point in the NE/4SE/4 of Section 9 and a final take point in the NW/4SW/4 of Section 8; and (b) The Sandlot 9/8 Fee Well No. 718H, with a first take point in the SE/4SE/4 of Section 9 and a final take point in the SW/4SW/4 of Section 8. (collectively, the "Wells").

Also to be considered will be the cost of drilling, completing, testing, and equipping the Wells, and the allocation of the cost thereof among the Wells' working interest owners, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Wells in the event a working interest owner elects not to participate in the Wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

Witnesses

Carson Cullen
(Landman)

Estimated Time

10 minutes

Exhibits

Approx. 10

OPPONENT

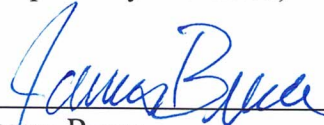
Witnesses

Estimated Time

Exhibits

PROCEDURAL MATTERS

Respectfully submitted,



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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 457844

QUESTIONS

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| Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241 | OGRID: 14744 |
| | Action Number: 457844 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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|---|---------------|
| Testimony | |
| Please assist us by provide the following information about your testimony. | |
| Number of witnesses | Not answered. |
| Testimony time (in minutes) | Not answered. |