

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

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

Case No. 23488

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mewbourne Oil Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

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

Attention: Tyler Jolly
(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 all uncommitted mineral interest owners in the Bone Spring formation underlying an 1820.97-acre non-standard horizontal spacing unit comprised of lots 1-4, E/2W/2, and E/2 (all) of Section 31, Lots 1-4, N/2, and N/2S/2 (all) of Section 32, and Lots 1-4, N/2, and N/2S/2 (all) of Section 33, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to:

- (a) the Pavo Macho 31/33 B3DA Fed. Com. Well No. 2H, with a first take point in Lot 1 of Section 31 and a last take point in the NE/4NE/4 of Section 33;
- (b) the Pavo Macho 31/33 B3EH Fed. Com. Well No. 2H, with a first take point in Lot 2 of Section 31 and a last take point in the SE/4NE/4 of Section 33;
- (c) the Pavo Macho 31/33 B3LI Fed. Well No. 1H, with a first take point in Lot 3 of Section 31 and a last take point in the NE/4SE/4, of Section 33; and

(d) the Pavo Macho 31/33 B3MP Fed. Com. Well No. 1H, with a first take point in Lot 4 of Section 31 and a last take point in the SE/4SE/4, of Section 33.

Also to be considered will be the cost of drilling, completing, testing, and equipping 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, completing, testing, and equipping the well. Applicant also requests approval of the proposed well unit overlapping the well units for the following wells:

<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Pavo Macho 31/32 B2DA Fed. Com. Well No. 1H	N/2N/2 §31 & N/2N/2 §32	Applicant
<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Pavo Macho 31/32 B2EH Fed. Com. Well No. 1H	S/2N/2 §31 & S/2N/2 §32	Applicant
<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Pavo Macho 31 B2LI Fed. Com. Well No. 1H	N/2S/2 §31	Applicant
<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Pavo Macho 31 BMP Fed. Com. Well No. 1H	S/2S/2 §31	Applicant
<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Palmillo State Well No. 2	W/2SE/4 §32	Cimarex
<u>Well Name</u>	<u>Well Unit</u>	<u>Operator</u>
Palmillo State Com. Well No. 4	W/2SW/4 §32	Cimarex

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Tyler Jolly (landman)	10 min.	Approx. 4
Charles Crosby (geologist)	10 min.	Approx. 4

OPPONENTS

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

If this case is unopposed it will be submitted by affidavit.

Respectfully submitted,

A handwritten signature in blue ink that reads "James Bruce". The signature is written in a cursive style and is positioned above a horizontal line.

James Bruce
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(505) 982-2043

Attorney for Mewbourne Oil Company

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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 211169

QUESTIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 211169
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>