

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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING
AND APPROVAL OF A NON-STANDARD
SPACING AND PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.**

Case No. 23693

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: Brad Dunn

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 1-4 and the S/2N/2 (the N/2) of Section 2 and Lots 1-4 and the S/2N/2 (the N/2) of Section 1, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Applicant proposes to drill the following wells to a depth sufficient to test the Bone Spring formation: (a) the Night Watch 2/1 B2DA Fed. Com. Well No. 1H, with a first take point in Lot 4 of Section 2 and a last take point in Lot 1 of Section 1; and (b) the Night Watch 2/1 B2EH Fed. Com. Well No. 1H, a horizontal well with a first take point in the SW/4NW/4 of Section 2 and a last take point in the SE/4NE/4 of Section 1. The producing interval of each well will be orthodox Applicant also requests that the wells be dedicated to a non-standard spacing and proration unit in the Young; Bone Spring, North Pool. 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 wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

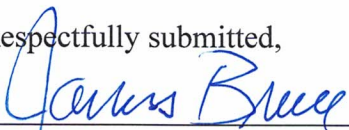
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Brad Dunn (landman)	10 min.	Approx. 4
Charlie Crosby (geologist)	10 min.	Approx.4

OPPONENT

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

Applicant will present this case by affidavit if it is unopposed.

Respectfully submitted,


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

Attorney for Mewbourne Oil Company

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 245195

QUESTIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 245195
	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>