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

APPLICATIONS OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND APPROVAL OF NONSTANDARD SPACING UNITS, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24795, 24796

CONSOLIDATED PRE-HEARING STATEMENT

Mewbourne Oil Company ("Mewbourne" or "Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT ATTORNEYS

Mewbourne Oil Company Dana S. Hardy

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INTERESTED PARTY

ATTORNEY

None

STATEMENT OF THE CASES

In Case No. 24795, Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, non-standard horizonal spacing unit comprised of the W/2 of Section 12 and the NW/4 of Section 13, Township 26 South, Range 29 East, Eddy County, New Mexico. Mewbourne seeks to dedicate the unit to the following wells:

- 1. Fuller 13/12 Fed Com #571H and Fuller 13/12 Fed Com #522H wells, to be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 13 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 12; and
- Fuller 13/12 Fed Com #523H, Fuller 13/12 Fed Com #574H, and Fuller 13/12 Fed Com #563H wells, to be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 13 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 12.

In Case No. 24796, Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, non-standard horizonal spacing unit comprised of the E/2 of Section 11 and the NE/4 of Section 14, Township 26 South, Range 29 East, Eddy County, New Mexico. Mewbourne seeks to dedicate the unit to the following wells:

- 1. Fuller 14/11 Fed Com #568H, Fuller 14/11 Fed Com #527H, and Fuller 14/11 Fed Com #576H wells, to be drilled from surface hole locations in the SE/4 NE/4 (Unit H) of Section 14 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 11; and
- 2. Fuller 14/11 Fed Com #526H and Fuller 14/11 Fed Com #565H wells, to be drilled from surface hole locations in the SE/4 NE/4 (Unit H) of Section 14 to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 11.

Mewbourne also seeks approval of non-standard horizontal spacing units Approval of non-standard spacing units will allow Mewbourne to consolidate surface facilities and will consequently prevent surface, environmental, and economic waste, in addition to reducing emissions.

The completed intervals of the wells will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of

Applicant as operator of the units and wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits	
Mitch Robb	Landman	Affidavit	Approx. 5	
Tyler Hill	Geologist	Affidavit	Approx. 3	

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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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 380607

QUESTIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	380607
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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