

**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. 21770

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: Mitch Robb
(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 mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 35 and the W/2 of Section 26, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to: (a) The Layla 35/26 W0MD Fee Well No. 1H, with a first take point in the SW/4SW/4 of Section 35 and a last take point in the NW/4NW/4 of Section 26; (b) The Layla 35/26 W0NC Fee Well No. 1H, with a first take point in the SE/4SW/4 of Section 35 and a last take point in the NE/4NW/4 of Section 26; and (c) The Layla 35/26 W0NC Fee Well No. 2H, with a first take point in the SE/4SW/4 of Section 35 and a last take point in the NE/4NW/4 of Section 26. Also to be considered will be the cost of drilling, completing 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, and equipping the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Mitch Robb (landman)	10 min.	Approx. 6
Tyler Hill (geologists)	10 min.	Approx. 6

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