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

APPLICATION OF MEWBOURNE OIL COMPANY TO RE-OPEN CASE NO. 21770 FOR COMPULSORY POOLING TO POOL ADDITIONAL PARTIES, EDDY COUNTY, NEW MEXICO.

Case No. 22160

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

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

Attention:

Mitch Robb

(432) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all uncommitted 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 10 min. Approx. 6

(landman)

Tyler Hill 10 min. Approx. 6

(geologist)

OPPONENT

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

PROCEDURAL MATTERS

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

Respectfully submitted,

James Bruce

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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 46232

QUESTIONS

| Operator: | OGRID: |
|------------------|--|
| MEWBOURNE OIL CO | 14744 |
| P.O. Box 5270 | Action Number: |
| Hobbs, NM 88241 | 46232 |
| | 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. | |