

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

2004 JUN 21 AM 9 34

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION
FOR THE PURPOSE OF CONSIDERING:

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

Case No. 13285

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: D. Paul Haden
(432) 682-3715

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from 4500 feet subsurface to the base of the Morrow formation underlying the following described acreage in Section 5, Township 20 South, Range 25 East, NMPM, and in the following manner: the N $\frac{1}{2}$ to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Dagger Draw-Strawn Gas Pool, Undesignated North Cemetery-Atoka Gas Pool, and Cemetery-Morrow Gas Pool; the NW $\frac{1}{4}$ to form a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, including the North Dagger Draw-Upper Pennsylvanian Pool; and the SE $\frac{1}{4}$ NW $\frac{1}{4}$ to form a standard oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to applicant's Tombstone "5" Fed. Com. Well No. 2, to be drilled at an orthodox location in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 5. Also to be considered will be the cost of

drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES
D. Paul Haden
(landman)

EST. TIME
15 min.

EXHIBITS
(a) land plat
(b) list of owners
(c) correspondence
(c) AFE
(d) affidavit of
notice

OPPONENT

WITNESSES

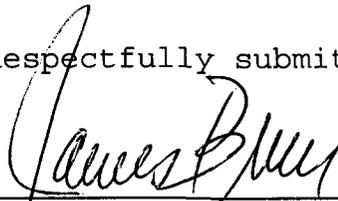
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Mewbourne Oil
Company