

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

**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. 16020

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

Case No. 16183

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

Case No. 16184

**APPLICATION OF EOG RESOURCES, INC. FOR A
NON-STANDARD SPACING AND PRORATION
UNIT AND COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

Case No. 16221

**APPLICATION OF EOG RESOURCES, INC. FOR A
NON-STANDARD SPACING AND PRORATION
UNIT AND COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

Case No. 16434

CONSOLIDATED 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: Corey Mitchell
(432) 682-3715

OPPONENT

EOG Resources, Inc.

OTHER PARTIES

Marathon Oil Permian LLC

Matador Resources Company

Jalapeno Corporation

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT'S ATTORNEY

Michael Feldewert
Jordan L. Kessler
Adam G. Rankin

OTHER PARTIES' ATTORNEYS

Jennifer Bradfute
Earl DeBrine

Kyle Perkins

Gene Gallegos
Michael Condon

STATEMENT OF THE CASE

APPLICANT

Case No. 16020: Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit comprised of the N/2N/2 of Section 24 and the N/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2AD Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4NE/4 of Section 24, and a last take point in the NW/4NW/4 of Section 23.

Case No. 16183: Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal spacing unit comprised of the S/2N/2 of Section 24 and the S/2N/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2HE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NE/4 of Section 24, and a last take point in the SW/4NW/4 of Section 23.

Case No. 16184: Mewbourne Oil Company seeks an order pooling all mineral interests from the top of the Second Bone Spring Sand to the base of the Bone Spring formation in a horizontal

spacing unit comprised of the N/2S/2 of Section 24 and the N/2S/2 of Section 23, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Virgo 24/23 B2IL Fed. Com. Well No. 1H, a horizontal well with a first take point in the NE/4SE/4 of Section 24, and a last take point in the NW/4SW/4 of Section 23.

Also to be considered in each case will be the cost of drilling and completing 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 and completing the wells.

OPPONENTS

EOG Resources, Inc. has filed competing applications in Case Nos. 16221 and 16434.

PROPOSED EVIDENCE

APPLICANT

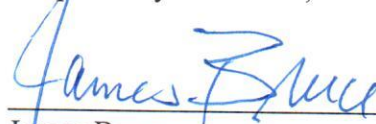
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Paul Haden (landman)	30 min.	Approx. 15
Charles Crosby (geologist)	25 min.	Approx. 10
Travis Cude (engineer)	20 Min.	Approx. 5

OPPONENTS

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
------------------	------------------	----------------

PROCEDURAL MATTERS

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

Attorney for Mewbourne Oil Company