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, LEA COUNTY, NEW MEXICO.

Case No. 20809

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

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

APPLICANT'S ATTORNEY

(505) 982-2043

Attention:

Corey Mitchell

(432) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 10 and the E/2E/2 of Section 15, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Ibex 15/10 B1PA Fed. Com. Well No. 2H and the Ibex 15/10 B3PA Fed. Com. Well No. 1H, horizontal wells with first take points in the SE/4SE/4 of Section 15 and final take points in the NE/4NE/4 of Section 10. Also to be considered 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.

This case is related to Case No. 20580, previously heard, in which no order has been issued. Applicant requests that the two wells be added to the order issued in both cases.

OPPONENT

PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES
EST. TIME
EXHIBITS

Mitch Robb
(landman)

10 min.

Approx. 6

Jordan Carrell
(geologist)

Approx. 6

OPPONENTS

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

PROCEDURAL MATTERS

If this case is unopposed it will be submitted by affidavit.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company