

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. 14433

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2010 FEB 23 P 3:48

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Mewbourne Oil Company  
Attn: Mr. D. Paul Haden  
500 West Texas, Suite 1020  
Midland, Texas 79701  
(432) 682-3715

ATTORNEY

William F. Carr, Esq.  
Ocean Munds-Dry, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

STATEMENT OF CASE

APPLICANT:

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the top of the Bone Spring formation in all formations and pools in the NE/4 SW/4 of Section 17, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico. Mewbourne proposed to dedicate the above-referenced spacing and proration unit to its Wyatt Draw "17" K Well No. 1. to be drilled as a wildcat oil well at a standard location 1650 feet from the South and

West Lines (Unit K) of said Section 17 to a depth sufficient to evaluate all formations and pools to the top of the Bone Spring Lime. The top of the Bone Spring Lime is identified at a depth of 4,170 feet beneath the surface in the Density Neutron Electric Log run in the Nearburg Exploration Company Fairchild "24" Well No. 1 located 2100 feet from the North Line and 900 feet from the West Line of Section 24, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Also to be considered will be the cost of drilling and completing said well as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

### **PROPOSED EVIDENCE**

#### APPLICANT

WITNESSES  
(Name and Expertise)

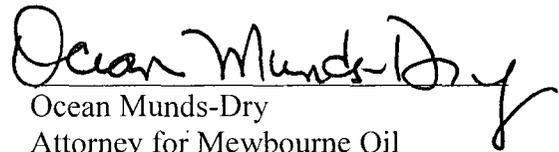
ESTIMATED TIME

EXHIBITS

Mewbourne Oil Company will present this case by affidavit.

### **PROCEDURAL MATTERS**

Mewbourne Oil Company has none at this time.

  
Ocean Munds-Dry  
Attorney for Mewbourne Oil  
Company