

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
ROBERT P. TINNIN, JR.
MARSHALL G. MARTIN
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
JOHN J. KELLY
NICHOLAS J. NOEDING
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
THOMAS J. MCBRIDE
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWITT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
ALBERT L. PITIS
THOMAS M. HNASKE
JOHN C. CHAMBERS*
GARY D. COMPTON*
MICHAEL A. GROSS
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
DAVID T. MARKETTE*
MARK C. DOW

FRED W. SCHWENDIMANN
JAMES M. HUDSON
JEFFREY S. BAIRD*
REBECCA NICHOLS JOHNSON
WILLIAM P. JOHNSON
STANLEY K. KOTOVSKY JR.
H. R. THOMAS
ELLEN S. CASEY
MARGARET CARTER LUDEWIG

S. BARRY PAISNER
STEPHEN M. CRAMPTON
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. JARSON
STEPHANIE LANDRY
JOHN R. KULSETH JR.
MARGARET R. MCNETT
BRIAN T. CARTWRIGHT*
LISA K. SMITH*
ROBERT H. BETHEA*
BRADLEY W. HOWARD
CHARLES A. SUTTON
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART*
DARREN L. BROOKS
CHRISTINE E. LALE
PAUL G. NASON
DARLA M. SILVA

*NOT LICENSED IN NEW MEXICO

ATTORNEYS AT LAW
218 MONTEZUMA
POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068
(505) 982-4554
FAX (505) 982-8623

CLARENCE E. HINKLE (1904-1965)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

OF COUNSEL
O. M. CALHOUN*
MACK EASLEY
JOE W. WOOD
RICHARD S. MORRIS

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN*

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 86202
(505) 622-6510
FAX (505) 623-9332

2800 CLAYDESTA CENTER
6 DESTA DRIVE
POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

1700 TEAM BANK BUILDING
POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

500 MARQUETTE N.W., SUITE 800
POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

March 14, 1994

MAR 14 1994

VIA HAND DELIVERY

Mr. William LeMay
New Mexico Oil Conservation Division
Energy, Minerals and Natural Resources Department
State Land Office Building
Santa Fe, New Mexico 87501

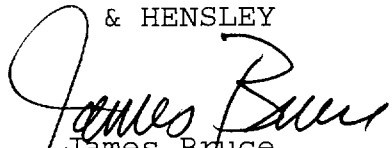
Re: Case Nos. 10,939 and 10,940 (Applications of Mewbourne Oil Company for Unorthodox Gas Well Locations)

Dear Mr. LeMay:

Enclosed is an original and two copies of a consolidated pre-hearing statement in the above two cases.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

JB/bc

Enclosures

**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:**

CASE NOS. 10,939 and 10,940

**APPLICATIONS OF MEWBOURNE OIL
COMPANY FOR TWO UNORTHODOX GAS
WELL LOCATIONS, EDDY COUNTY,
NEW MEXICO.**

CONSOLIDATED PRE-HEARING STATEMENT

This Statement is submitted by Mewbourne Oil Company as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

Applicant:

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701
Attn: D. Paul Haden
(915) 682-3715

Attorney:

James Bruce
Hinkle, Cox, Eaton,
Coffield & Hensley
Post Office Box 2068
Santa Fe, NM 87504-2068
(505) 982-4554

MAR 14 1994

STATEMENT OF CASE

Applicant:

Applicant requests two unorthodox gas well locations: (a) 330' FSL and 2210' FWL § 23; and (b) 1667' FNL and 2140' FWL § 26, both in 16 South-28 East. Both wells will test the undesignated Vandagriff Keyes Gas Pool (Queen formation).

The location for the well in the SW $\frac{1}{4}$ § 23 is required due to (i) geological factors which indicate a well should not be drilled to the north or west of the proposed location, (ii) topographic

reasons (high relief at the original standard location), and (iii) potential archaeological limitations to the West.

The location for the well in the NW $\frac{1}{4}$ of § 26 is limited by (i) numerous archeological sites, and (ii) high structural relief throughout the quarter section. The proposed location is satisfactory from a geological standpoint.

Both wells are significant step-outs from existing Queen production.

PROPOSED EVIDENCE

Applicant:

	WITNESS	ESTIMATED TIME	EXHIBITS
1.	Paul Haden (Landman)	5 minutes	(a) Land Plat
2.	David Schatzer (Geologist)	15 minutes	(a) Topographic map (b) Archaeological reports (c) Production map (d) Structure map (e) Net sand isopach (f) Cross section

PROCEDURAL MATTERS

Applicant requests Case Nos. 10939 and 10940 be consolidated for hearing, since the testimony for both cases is similar.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Mewbourne Oil Company