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

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

Case Nos. 22035 and 22036

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mewbourne Oil Company ("Mewbourne") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company Suite 1020

500 West Texas

Midland, Texas 79701

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Brad Dunn

(432) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 22035: Applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 26 and the W/2SW/4 of Section 23, Township 21 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Inland 26/23 B2ML State Com. Well No. 1H, with a first take point in the SW/4SW/4 of 26 and a last take point in the NW/4SW/4 of Section 23, and (b) the Inland 26/23 B3ML State Com. Well No. 1H, with a first take point in the SW/4SW/4 of 26 and a last take point in the NW/4SW/4 of Section 23.

Case No. 22036: Applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 26 and the E/2SW/4 of Section 23, Township 21 South, Range 34 East, NMPM. The unit will be dedicated to (a) the Inland 26/23 B2NK State Com. Well No. 1H, with a first take point

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in the SE/4SW/4 of 26 and a last take point in the NE/4SW/4 of Section 23, and (b) the Inland 26/23 B3NK State Com. Well No. 1H, with a first take point in the SE/4SW/4 of 26 and a last take point in the NE/4SW/4 of Section 23.

Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

WITNES	<u>SES</u>	EST. TIME	<u>EXHIBIT</u>
Brad Dun (landman		15 min.	Approx. 6
Jordan Ca (geologis		15 min.	Approx. 6
<u>OPPONENT</u>			

PROCEDURAL MATTERS

EST. TIME

These cases should be consolidated for hearing. They will be submitted by affidavit if there is no opposition.

Respectfully submitted

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

EXHIBIT

(505) 982-2043

Attorney for Mewbourne Oil Company

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 38795

QUESTIONS

Operator:	OGRID:		
MEWBOURNE OIL CO	14744		
P.O. Box 5270	Action Number:		
Hobbs, NM 88241	38795		
	Action Type:		
	[HEAR] Prehearing Statement (PREHEARING)		

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witness	2	
Testimony time (in minutes)	20	