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

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND APPROVAL OF OVERLAPPSONG WELL UNITS, EDDY COUNTY, NEW MEXICO.

Case No. 23396

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 APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504

Attention:

Adriana Salgado

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the SE/4 of Section 3 and the S/2 of Section 2, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Swanson 3/2 B2JI Fed. Com. Well No. 2H, a horizontal well with a first take point in the NW/4SE/4 of Section 3 and a last take point in the NE/4SE/4 of Section 2. Applicant also requests approval of overlapping well units regarding (a) the Swanson 3/2 B2JI Fed. Com. Well No. 1H, which has the N/2SE/4 of Section 3 and the N/2S/2 of Section 2 dedicated thereto, and (b) the Swanson 3/2 B2OP Fed. Com. Well No. 1H, which has the S/2SE/4 of Section 3 and the S/2S/2 of Section 2 dedicated thereto. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

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

Adriana Salgado 10 min. Approx. 4

(landman)

Charlie Crosby 10 min. Approx.4

(geologist)

OPPONENT

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

PROCEDURAL MATTERS

Applicant will present this case by affidavit if it is unopposed.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 190185

QUESTIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	190185
	Action Type:
l l	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.