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

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

Case No. 23768

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:

Brad Dunn

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 non-standard horizontal spacing unit comprised of the S/2 of Section 10 and the S/2 of Section 11, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to (a) the Seabass 10/11 Fed. Com. Well No. 526H, with a first take point in the NW/4SW/4 of Section 10 and a last take point in the NE/4SE/4 of Section 11, and (b) the Seabass 10/11 Fed. Com. Well No. 528H, with a first take point in the SW/4SW/4 of Section 10 and a last take point in the SE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, equipping, and testing 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, equipping, and testing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

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

Brad Dunn 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 261002

QUESTIONS

| Operator: | OGRID: |
|------------------|--|
| MEWBOURNE OIL CO | 14744 |
| P.O. Box 5270 | Action Number: |
| Hobbs, NM 88241 | 261002 |
| | Action Type: |
| | [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. |