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

APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A NON-STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 24347

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:

Thomas Sloan (432) 682-3715

OTHER PARTIES

OTHER PARTIES' ATTORNEYS

STATEMENT OF THE CASE

APPLICANT

Mewbourne seeks an order (a) approving a non-standard horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9 and Lots 1, 2, the S/2NE/4, and the SE/4 (the E/2) of Section 4, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico and (b) pooling all uncommitted interests in this acreage. This spacing unit will be initially dedicated to the following proposed wells:

- Cow Bell 9/4 B3PA Fed Com 1H to be horizontally drilled from a surface location in the SW4SE4 (Unit O) of Section 9 to a bottom hole location in Lot 1 of Section 4.
- Cow Bell 9/4 B3OB Fed Com 1H to be horizontally drilled from a surface location in the SW4SE4 (Unit O) of Section 9 to a bottom hole location in Lot 2 of Section 4.

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

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	<u>EXHIBIT</u>
Thomas Sloan (landman)	10 min.	Approx. 5
Charles Crosby (geologist)	10 min.	Approx. 10

OPPONENT

WITNESSES	EST. TIME	EXHIBIT

PROCEDURAL MATTERS

This case will be presented by affidavit if uncontested.

Respectfully submitted,

James Bruce

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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 327889

QUESTIONS

Operator:	OGRID:	
MEWBOURNE OIL CO	14744	
P.O. Box 5270	Action Number:	
Hobbs, NM 88241	327889	
	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.	