

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

2007 JUL 19 PM 3 39

**IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION DIVISION FOR THE PURPOSE
OF CONSIDERING:**

CASE NO. 13306

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

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

OPPOSITION

Mewbourne Oil Company
Mr. Steve Smith
500 West Texas, Suite 1020
Midland, Texas 79701
(432) 682-3715

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988.4421

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow formation in the S/2 of Section 2, Township 20 South, Range 27 East, NMPM, Eddy County, New Mexico for all formations and/or pools developed on 320-acre spacing, which includes but is not necessarily limited to the Angell Ranch-Atoka Morrow Gas Pool, Said unit is to be dedicated to its Angel Draw

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"2" State Com Well No. 1 to be drilled at a standard location 990 feet from the South line and 660 feet from the East line of said Section 2 and drilled to a depth sufficient to test all formations from the surface to the base of the Morrow formation.

Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, provisions governing subsequent operations on the pooled units, designation of Mewbourne Oil Company, as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 9 miles north of Carlsbad, New Mexico.

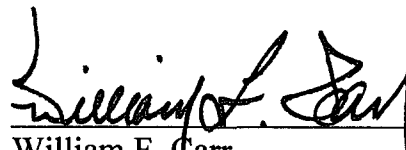
PROPOSED EVIDENCE

OPPOSITION

| <u>WITNESSES</u> (Name and Expertise) | <u>ESTIMATED TIME</u> | <u>EXHIBITS</u> |
|--|-----------------------|-----------------|
| Steve Smith (Landman) | Approx. 15 Minutes | Approx. 5 |

PROCEDURAL MATTERS

Mewbourne Oil Company has none at this time.



William F. Carr
Attorney for Mewbourne Oil Company