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

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

APPLICATION OF MEWDOURNE OIL COMPANY FOR COMPULSORY POOLING, KDDY COUNTY. NEW MEXICO.

Case No. 13,410

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT Mewbourne Oil Company Suite 1020 500 West Texas Midland, Texas 79701

D. Paul Haden Attention: (432) 682-3715

OPPONENT

APPLICANT'S ATTORNEY James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Bone Spring formation underlying the following described acreage in Section 29, Township 18 South, Range 30 East, NMPM, and in the following manner: The SMSEM to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within that vertical extent; and the SW%SE% to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to applicant's proposed Pinta "29" Fed. Well No. 1, to be drilled at an orthodox location in the SW%SE% of Section 29. Also to be considered will be the cost of drilling and completing 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 and completing

of

the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u> D. Paul Haden (landman)

EST. TIME 15 min.

EXILITIES

(a) land plat

(b) list of owners

correspondence (c)

(d) AFE

affidavit (e) notice

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Brucë

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for Mewbourne Oil Attorney Company