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 MEMBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 13,410

PRE-INARING 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
(432) 682-3715

OPPONENT

Attention:

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 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 S%SE% 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 Finta "29" Fed. Well No. 1, to be drilled at a location in the SW%SE% of Section 29 (510 feet FSL and 1830 feet FEL). 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 the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u> WITNESSES</u>

EST. TIME

EXHIBITS

THIS MATTER WAS PREVIOUSLY HEARD, AND TESTIMONY PRESENTED, BUT CONTINUED DUE TO A CHANGE IN WELL LOCATION. APPLICANT WILL PRESENT AN AFFIDAVIT IN SUPPORT OF THE APPLICATION.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company