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

Case No. 15964

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

Attention:

Mitch Robb

(432) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 11, Township 26 South, Range 28 East, NMPM. The unit will be dedicated to the Delaware Ranch 11 W2NC Fee Well No. 1H and the Delaware Ranch 11 W1NC Fee Well No. 2H, horizontal wells with surface locations in the SE/4SW/4, and bottomhole locations in the NE/4NW/4, of Section 11 Also to be considered will be the cost of drilling and completing 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 and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

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

Mitch Robb 10 min. Approx. 5 (landman)

Charlie Crosby 15 min. Approx. 4 (geologist)

<u>OPPONENT</u>

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

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce Post Office Box 1056

Santa Fe, New Mexico 87504

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Attorney for Mewbourne Oil Company