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. 16003

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:

Tyler Jolly

(432) 682-3715

OPPONENT

APPLICANT'S ATTORNEY
James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the E/2 of Section 28, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to (i) the Night Ranger 28 W2AP Fee Well No. 1H, a horizontal well with a surface location in the NE/4NE/4, and a bottomhole location in the SE/4SE/4, of Section 28, and (ii) the Night Ranger 28 W0AP Fee Well No. 2H, a horizontal well with a surface location in the NE/4NE/4, and a bottomhole location in the SE/4SE/4, of Section 28. The producing intervals of the wells will be orthodox. 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

WITNESSES EST. TIME EXHIBITS

Tyler Jolly 10 min. Approx. 6 (landman)

Charlie Crosby 15 min. Approx. 8 (geologist)

OPPONENT

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

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

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Attorney for Mewbourne Oil Company