

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

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

Case Nos. 21221 and 21222

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

Attention: Tyler Jolly
(432) 682-3715

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

EOG Resources, Inc.

OPPONENT'S ATTORNEY

Holland & Hart LLP

STATEMENT OF THE CASE

APPLICANT

Case No. 21221: Mewbourne Oil Company seeks an order of all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 10, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Perazzi 9-10 B3MP Fed. Well No. 1H, a horizontal well with a first take point in the SW/4SW/4 of Section 9 and a last take point in the SE/4SE/4 of Section 10. 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, completing, and equipping the well.

Case No. 21222: Mewbourne Oil Company seeks an order of all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 10, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Perazzi 9-10 W0MP Fed. Com. Well No. 1H, a horizontal well with a first take point in the SW/4SW/4 of Section 9, and a final take point in the SE/4SE/4 of Section 10. 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.

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

Tyler Jolly
(landman)

EST. TIME

15 min.

EXHIBIT

Approx. 10

Charles Crosby
(geologist)

15 min.

Approx. 8

OPPONENTS

WITNESSES

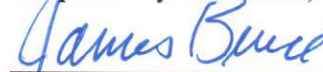
EST. TIME

EXHIBIT

PROCEDURAL MATTERS

If the cases are unopposed they will be presented by affidavit.

Respectfully submitted,



James Bruce
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Attorney for Mewbourne Oil Company