

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

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

Case No. 21365

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

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 2, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to (i) the Skynyrd 2 W0CN Fee Well No. 1H, a horizontal well with a first take point in the NE/4NW/4 and a last take point in the SE/4SW/4 of Section 2; (ii) the Skynyrd 2 W0DM Fee Well No. 1H, a horizontal well with a first take point in the NW/4NW/4 and a last take point in the SW/4SW/4 of Section 2; and (iii) the Skynyrd 2 W0DM Fee Well No. 2H, a horizontal well with a first take point in the NW/4NW/4 and a last take point in the SW/4SW/4 of Section 2. Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Mitch Robb
(landman)

Charles Crosby
(geologists)

EST. TIME

15 min.

10 min.

EXHIBIT

Approx. 6

Approx. 6

OPPONENT

WITNESSES

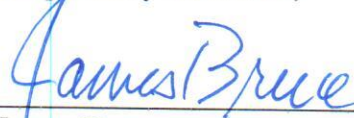
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Applicant will present this case by affidavit if it is unopposed.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company