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

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

CASE NO. 21752

PRE-HEARING STATEMENT

Mewbourne Oil Company ("Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEYS

Mewbourne Oil Company Dana S. Hardy

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INTERESTED PARTIES ATTORNEYS

None.

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2N/2 of Section 15 and the N/2NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 W0DC Fed Com #1H well, which will be horizontally drilled from a surface location in Unit E of Section 15 to a

bottom hole location in Unit C of Section 14, Township 20 South, Range 29 East in Eddy County. The completed interval of the well will be orthodox.

Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Applicant as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well is located approximately 10 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Tyler Jolly	Landman	Affidavit	Approx. 8
Charles Crosby	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant will present its case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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