

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:**

CASE NO. 13519

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

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

OPPOSITION

Mewbourne Oil Company
Attn: Mr. Paul Haden
500 West Texas, Suite 1020
Midland, Texas 79701
(432) 682-3715

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988.4421

STATEMENT OF CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow in the W/2 of Section 21, Township 20 South, Range 25 East, N.M.P.M in the following described spacing and proration units: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the

WFC 8/21/05

Undesignated Cemetery-Morrow Gas Pool, the Undesignated North Seven Rivers Hills-Atoka Gas Pool, and the Undesignated North Cemetery-Wolfcamp Gas Pool Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the NW/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to applicant's proposed Pine Box "21" Federal Com Well No. 1 to be drilled and completed at a standard gas well location 1310 feet from the North and West lines (Unit D) of said Section 21. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof, actual operating costs and charges for supervision, the designation of Mewbourne Oil Company as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 7 miles southwest of Lakewood, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

ESTIMATED TIME

EXHIBITS

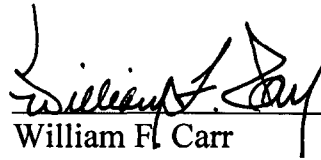
Paul Haden (Senior Landman)

Approx. 15 Minutes

Approx. 6

PROCEDURAL MATTERS

Mewbourne Oil Company has none at this time.



William F. Carr
Attorney for Mewbourne Oil Company