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 MEMBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. Case No. 13,089

PRE-MEARING 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

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

Attention:

D. Paul Haden
(505) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

James Bruce

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W% of Section 9, Township 21 South, Range 27 East, NMPM, to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Alacran Hills-Wolfcamp Gas Pool, Undesignated Burton Flat-Strawn Gas Pool, Undesignated Burton Flat-Atoka Gas Pool, and Undesignated Burton Flat-Morrow Gas Pool. The unit is to be dedicated to applicant's Foster Draw "9" St. Com. Well No. 1, drilled at an orthodox well location in the SW% of Section 9. 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 charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME Paul Haden 15 min.

EXHIBITS Approx. 5

(landman)

15 min.

Approx. 4

(geologist)

OPPONENT

<u>WITNESSES</u>

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,

James Bruce

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Attorney for Mawbourne Oil Company