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

CASE NO. 14261

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Mewbourne Oil Company
Attn: Mr. D. 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 in the above-styled cause seeks an order pooling all mineral interests from the base of the Queen formation through the base of the Morrow formation in the following described spacing and proration units located in the E/2 of Section 31, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Turkey Track-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing; the E/2 SE/4 for all formations and/or pools developed on 80-acre spacing which

includes but is not necessarily limited to the Undesignated Santo Nino-Bone Spring Pool; and the SE/4 SE/4 for all formations and/pools developed on 40-acre spacing which includes but is not limited to the Undesignated South Loco Hills-San Andres Pool and the Undesignated North Benson-Queen-Grayburg Pool. Applicant proposes to dedicate the pooled units to its Bradley "31" Federal Com Well No. 3 to be drilled at a standard gas well location 875 feet from the South line and 825 feet from the East line of said Section 31. Also to be considered will be the cost of drilling and completing said well as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

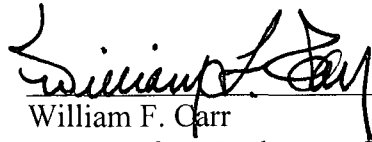
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
D. Paul Haden Senior Landman	15 Min.	Approx. 7

PROCEDURAL MATTERS

Mewbourne Oil Company has none at this time.



William F. Carr
Attorney for Mewbourne Oil Company