

**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 A NON-STANDARD
SPACING AND PRORATION UNIT, UNORTHODOX WELL LOCATION, AND
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 14605

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by applicant as required by the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Mewbourne Oil Company
c/o Corey Mitchell
500 West Texas, Suite 1020
Midland, Texas 79701
(432) 682-3715

ATTORNEY

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STATEMENT OF THE CASE

Mewbourne Oil Company seeks an order creating a non-standard spacing unit comprised of the W/2 SW/4 of Section 13, Township 19 South, Range 25 East, NMPM, and pooling all mineral interests in the Yeso formation, North Seven Rivers-Glorieta-Yeso Pool, in this non-standard spacing and proration unit which spacing unit will be the project area for the Wyatt Draw "13" ML No. 1-H Well which it proposes to drill as a horizontal oil well from a non-standard surface location 250 feet from the North line and 350 feet from the West line of Section 24, and then in a northerly direction in the Yeso formation to a bottom hole terminus at a point 2310 feet the South line and 350 feet from the West line of said Section 13. This well will penetrate the Yeso formation at an unorthodox location 250 feet from the North line and 350 feet from the West line of Section 24, however, the producing interval in the wellbore is within the well's "producing area." Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well.

PROPOSED EVIDENCE

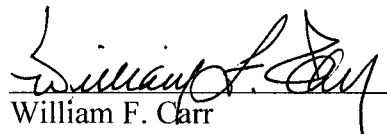
APPLICANT

<u>WITNESS</u>	<u>TIME</u>	<u>EXHIBITS</u>
Corey Mitchell Landman	15 minutes	Approx. 6
Jason Lodge Geologist Or other geological witness	10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,



William F. Carr

ATTORNEY FOR MEWBOURNE
OIL COMPANY