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

JAMES BRUCE

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MEMBOURNE OIL COMPANY TO REOPEN CASE NO. 13158 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. ml.

Case No. 13,158 (Reopened)

PRE-HEARING 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

APPLICANT'S ATTORNEY
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention:

D. Paul Haden (505) 682-3715

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant commenced the La Huerta "30" Well No. 1, as approved in Order No. R-12057, but had to abandon the location due to mechanical problems and move the surface location. Applicant seeks pooling of the new location for the La Huerta "30" Well No. 1Y.

Applicant seeks an order pooling all mineral interests from the top of the Cisco formation to the base of the Morrow formation underlying the S% of Section 30, 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 Burton Flat-Morrow Gas Pool. The unit is to be dedicated to applicant's La Huerta "30" Well No. 1Y, to be drilled from a surface location approximately 823 feet from the bouth line and 945 feet from the east line (Unit P) of Section 19, Township 21 South, Range 27 East, NMPM to an orthodox bottomhole location in the SE%SE% (Unit P) of Section 30. 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 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES Paul Haden (landman)

EST. TIME 10 min.

EXHIBITS Approx. 4

OPPONENT

<u> WITNESSES</u>

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

James Bruce

Post Office Box 1056

Respectfully submitted,

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil

Company