

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MAY 8, 2025**

CASE No. 25306

NEATO BANDITO EXTENSION ORDER R-23123

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF MEWBOURNE OIL
COMPANY TO AMEND ORDER NO. R-23123,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25306
Order No. R-23123**

TABLE OF CONTENTS

- **Mewbourne Exhibit A** – Application
- **Mewbourne Exhibit B** – Order No. R-23123
- **Mewbourne Exhibit C** – Self-Affirmed Statement of Ariana Rodrigues, Landman
- **Mewbourne Exhibit D** – Self-Affirmed Notice Statement
- **Mewbourne Exhibit E** – Affidavit of Publication

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO AMEND ORDER NO. R-23123,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25306
ORDER NO. R-23123**

APPLICATION

Mewbourne Oil Company, (“Mewbourne” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-23123 (“Order”) to allow for an extension of time for drilling the proposed initial wells under the Order. In support of its application, Mewbourne states:

1. Division Order No. R-23123, entered on March 27, 2024, in Case No. 24132, created a non-standard 1,280-acre, more or less, horizontal well spacing unit comprised of All of Sections 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Mewbourne as operator of the Unit.
2. Order No. R-23123 further pooled the uncommitted interests in the Bone Spring formation (Tamano Bone Spring [58040]) in the Unit and dedicated the Unit to the proposed initial **Neato Bandito 23/24 Fed Com 511H** (API No. 30-015-PENDING), **Neato Bandito 23/24 Fed Com 513H** (API No. 30-015-PENDING), **Neato Bandito 23/24 Fed Com 515H** (API No. 30-015-PENDING), and **Neato Bandito 23/24 Fed Com 517H** (API No. 30-015-PENDING).
3. Applicant requests that Order No. R-23123 be re-opened and amended to allow Applicant additional time to commence drilling the wells under the Order.
4. There is good cause for Applicant’s request for an extension of time to drill.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Mewbourne Oil Company
Hearing Date: May 8, 2025
Case No. 25306**

5. Under the Order, Applicant would be required to commence drilling the wells by March 28, 2025, and therefore, asks for the deadline to commence drilling the wells be extended for a year, to March 28, 2026.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order extending the time for Mewbourne to commence drilling the proposed initial wells under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By: _____



Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR MEWBOURNE OIL COMPANY

CASE _____: **Application of Mewbourne Oil Company to Amend Order No. R-23123, Eddy County, New Mexico.** Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-23123. The Unit is comprised of the All of Sections 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Order No. R-23123 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed initial **Neato Bandito 23/24 Fed Com 511H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 24; **Neato Bandito 23/24 Fed Com 513H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 24; **Neato Bandito 23/24 Fed Com 515H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24; and **Neato Bandito 23/24 Fed Com 517H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 24. Said area is located 10 miles southwest of Maljamar, New Mexico.

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBOURNE OIL COMPANY**

**CASE NO. 24132
ORDER NO. R-23123**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 1, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Mewbourne Oil Company
Hearing Date: May 8, 2025
Case No. 25306**

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

CASE NO. 24132
ORDER NO. R-23123

Page 2 of 7

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M FUGE
DIRECTOR (ACTING)
DMF/hat

Date: 3/27/2024

CASE NO. 24132
ORDER NO. R-23123

Page 4 of 7

Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24132	APPLICANT'S RESPONSE
Date	February 1, 2024
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A NON-STANDARD, OVERLAPPING 1,280-ACRE HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Neato Bandito
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Tamano Bone Spring [58040]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,280
Building Blocks:	40 acres
Orientation:	West to East
Description: TRS/County	Sections 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. Due to the nature and configuration of the federal leases in the subject area, the Bureau of Land Management ("BLM") will not approve the commingling of production at central facilities if the subject area is developed using standard horizontal well spacing units. See, e.g., 43 CFR 3173.14 (addressing authorized commingling). However, if the proposed overlapping non-standard spacing unit is approved by the Division, the BLM has stated it will issue a corresponding Communitization Agreement for the federal leases within the subject area to allow commingling and the corresponding reduction of the necessary surface facilities.
<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Mewbourne Oil Company Hearing Date: February 1, 2024 Case No. 24132</p>	
Other Situations	
Depth Severance: Y/N. If yes, description	No

Released to Imaging: 1/29/2024 5:02:41 PM

CASE NO. 24132
ORDER NO. R-23123

Page 5 of 7


Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<u>Neato Bandito 23/24 Fed Com 511H well</u> SHL: 1,080' FNL, 205' FWL (Unit D) of Section 23 BHL: 350' FNL, 100' FEL (Unit A) of Section 24 Target: Bone Spring Orientation: West-East Completion: Standard
Well #2	<u>Neato Bandito 23/24 Fed Com 513H well</u> SHL: 1,100' FNL, 205' FWL (Unit D) of Section 23 BHL: 1,750' FNL, 100' FEL (Unit H) of Section 24 Target: Bone Spring Orientation: West-East Completion: Standard
Well #3	<u>Neato Bandito 23/24 Fed Com 515H well</u> SHL: 1,420' FSL, 205' FWL (Unit L) of Section 23 BHL: 2,050' FSL, 100' FEL (Unit I) of Section 24 Target: Bone Spring Orientation: West-East Completion: Standard
Well #4	<u>Neato Bandito 23/24 Fed Com 517H well</u> SHL: 1,400' FSL, 205' FWL (Unit L) of Section 23 BHL: 750' FSL, 100' FEL (Unit P) of Section 24 Target: Bone Spring Orientation: West-East Completion: Standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$9,000
Production Supervision/Month \$	\$900
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3

Page 4 of 5

Released to Imaging: 1/29/2024 5:02:41 PM

CASE NO. 24132
ORDER NO. R-23123

Page 6 of 7

Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit C-6 & Exhibit E
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	1/30/2024

Released to Imaging: 1/29/2024 5:02:41 PM

CASE NO. 24132
ORDER NO. R-23123

Page 7 of 7

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO AMEND ORDER NO. R-23123,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25306
ORDER NO. R-23123**

SELF-AFFIRMED STATEMENT OF ARIANA RODRIGUES

1. My name is Ariana Rodrigues. I work for Mewbourne Oil Company (“Mewbourne”) as a Landman. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

2. I am familiar with the application filed by Mewbourne in this case, and I am familiar with the status of the lands in the subject area.

3. None of the uncommitted parties in this case have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

4. Under **Case No. 25306**, Mewbourne seeks to amend Division Order No. R-23123 to allow additional time to drill the initial, approved wells. Order R-23123 was entered on March 27, 2024 in Case No. 24132 and pooled the uncommitted interests in the Bone Spring formation (Tamano; Bone Spring [58040]) underlying a non-standard 1,280-acre, more or less, horizontal well spacing unit comprised of All of Sections 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. It dedicated the unit to the proposed initial **Neato Bandito 23/24 Fed Com 511H** (API No. 30-015-PENDING), **Neato Bandito 23/24 Fed Com 513H** (API No. 30-015-PENDING), **Neato Bandito 23/24 Fed Com 515H** (API No. 30-015-PENDING), and **Neato Bandito 23/24 Fed Com 517H** (API No. 30-015-PENDING).

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Mewbourne Oil Company
Hearing Date: May 8, 2025
Case No. 25306

5. Under Order R-23123 Mewbourne would be required to commence drilling the wells by March 28, 2025, and asks that the deadline to commence drilling be extended for a year, to March 28, 2026.

6. Good cause exists to extend the deadline to commence drilling under the order for a year. This is Mewbourne's first request for a deadline extension under this order. Mewbourne intends to develop this acreage but requires additional time to perfect the order.

7. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable wells, or to pay their estimated share of the costs to drill, complete and equip the applicable wells. And there have been no ownership changes as to the parties subject to pooling since the initial pooling order was entered.

8. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement, is made on the date next to my signature below.


Ariana Rodriguez

5/1/2025
Date

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO AMEND ORDER NO. R-23123,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25306
ORDER NO. R-23123**

**SELF-AFFIRMED STATEMENT OF
ADAM G. RANKIN**

1. I am attorney in fact and authorized representative of Mewbourne Oil Company (“Mewbourne”) the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of April 28, 2025.

5. I caused a notice to be published to all parties subject to this proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Mewbourne Oil Company
Hearing Date: May 8, 2025
Case No. 25306**



Adam G. Rankin

May 1, 2025

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Email: pmvance@hollandhart.com

April 18, 2025

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Mewbourne Oil Company to Amend Order No. R-23123, Eddy County, New Mexico: Neato Bandito 23/24 Fed Com 511H, 513H, 515H, and 517H wells

Ladies & Gentlemen:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/oed/>.

The State of New Mexico Oil Conservation Division hearing will be held in a hybrid format with both in-person and virtual participation options. The hearing will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico, starting at 8:15 a.m. Virtual access to the Division's public hearing is available as follows:
<https://www.emnrd.nm.gov/oed/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Ariana Rodrigues at (432) 682-3715, or at arodrigues@mewbourne.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

Paula M. Vance
ATTORNEY FOR MEWBOURNE OIL COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

MOC - Neato Bandito Extension Order R-23123 - Case no. 25306
Postal Delivery Report

9214 8901 9403 8310 1478 62	OCCIDENTAL PERMIAN LIMITED PARTNERSHIP ATTN: JONATHAN GONZALES 5 GREENWAY PLAZA SUITE 110 HOUSTON TX 77046	Delivered Signature Received
-----------------------------	---	------------------------------

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1232
Ad Number: 44500
Description: MOC Neato Bandito Ext 25306
Ad Cost: \$92.15

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

April 22, 2025

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 22th day of April 2025.

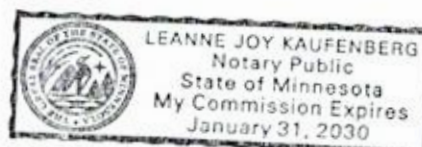
Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, Redwood County
Minnesota

Case No. 25306: Application of Mewbourne Oil Company to Amend Order No. R-23123, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: **Occidental Permian Limited Partnership**. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on May 8, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-23123. The Unit is comprised of the All of Sections 23 and 24, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Order No. R-23123 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed initial **Neato Bandito 23/24 Fed Com 511H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 24; **Neato Bandito 23/24 Fed Com 513H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 24; **Neato Bandito 23/24 Fed Com 515H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24; and **Neato Bandito 23/24 Fed Com 517H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 24. Said area is located 10 miles southwest of Maljamar, New Mexico.

Published in the Carlsbad Current-Argus April 22, 2025.
#44500

KARI REESE
HOLLAND & HART LLP
420 L STREET, SUITE 550
ANCHORAGE, AK 99501
klreese@hollandhart.com



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Mewbourne Oil Company
Hearing Date: May 8, 2025
Case No. 25306