

**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 TOM M. RAGSDALE TO REVOKE  
ORDER NOS. R-20924 AND R-20924-A OR, IN THE  
ALTERNATIVE, TO DECLARE UNREASONABLE  
CERTAIN COSTS IMPOSED BY MEWBOURNE OIL  
COMPANY**

**Case No. 21324**

**MEWBOURNE OIL COMPANY'S OPPOSED MOTION TO DISMISS**

Mewbourne Oil Company ("Mewbourne") moves to dismiss the application filed herein by Tom M. Ragsdale ("Mr. Ragsdale"). In support thereof, Mewbourne states:

**A. FACTS.**

1. Order Nos. R-20294 (entered in Case No. 20580) and R-20904-A (entered in Case No. 20890) pool the Bone Spring formation underlying the E/2E/2 of Section 15 and the E/2E/2 of Section 10, Township 23 South, Range 34 East, N.M.P.M., in Lea County, and covers four wells. Mr. Ragsdale is a working interest owner in the well unit.

2. Mr. Ragsdale did not enter an appearance in either Case No. 20580 or Case No. 20809, despite receiving notice for each case by certified mail.

3. Mr. Ragsdale's application challenges certain well costs incurred by Mewbourne, and seeks an order revoking or modifying Order Nos. R-20294 and R-20904-A, or declaring certain well costs covered by the orders unreasonable.

4. Mr. Ragsdale received an election letter and a copy of Order R-20924-A, from Mewbourne, on March 10, 2020. Thus, his election to participate in the Ibex 15/10 B3PA Fed. Com. Well No. 1H and the Ibex 15/10 B1PA Fed. Com. Well No. 2H, pursuant to the terms of the pooling order, was due on April 10, 2020. He did not timely make an election to join in the wells within 30 days.

5. The Ibex 15/10 B3PA Fed. Com. Well No. 1H and the Ibex 15/10 B1PA Fed. Com. Well No. 2H have not yet been drilled (they are scheduled to be commenced later this month), and final well costs will not be known for several months.

**B. ARGUMENT.**

1. Because Mr. Ragsdale did not enter an appearance in either Case No. 20580 or Case No. 20809, his application is a collateral attack on final Division orders which were never contested nor appealed.

2. Mr. Ragsdale's interest in the Ibex wells is considered a non-consenting interest for failure to timely respond to Mewbourne's election letters. Thus, a challenge to well costs is improper, at least at this time.

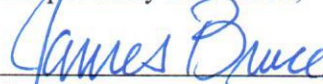
3. Ordering Paragraph 28 of Order No. R-20294-A provides for a challenge to final well costs, even by non-consenting working interest owners. Because the Ibex wells have not been completed, a challenge to well costs at this time is not ripe.

**C. CONCLUSION.**

The application filed herein is, at the very least, premature, and the application must be dismissed.

WHEREFORE, Mewbourne requests that this case be dismissed, or in the alternative continued indefinitely, pending the drilling and completion of the subject wells.

Respectfully submitted,



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Attorney for Mewbourne Oil Company

VERIFICATION

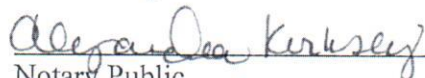
STATE OF TEXAS                    )  
                                          ) ss.  
COUNTY OF MIDLAND            )

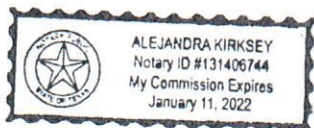
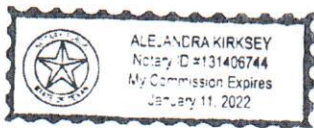
Mitch Robb, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing motion, and knows the contents thereof; and the facts set forth in Section ~~4~~ A above true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Mitch Robb

SUBSCRIBED AND SWORN TO before me this 8th day of July, 2020 by Mitch Robb.

My Commission Expires: January 11, 2022

  
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Notary Public

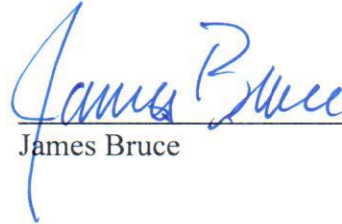


CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 8<sup>th</sup> day of July, 2020 by e-mail:

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James Bruce