

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

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

CASE NO. _____

APPLICATION

Mewbourne Oil Company (“Mewbourne” or “Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, well spacing unit in the Bone Spring formation underlying the S/2 S/2 of irregular Sections 3 and 4, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. In support of its application, Mewbourne states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Mewbourne seeks to dedicate the above-referenced spacing unit to the proposed **Guyana Buffalo 4/3 Federal Com 408H** and **Guyana Buffalo 4/3 Federal Com 527H** wells, both to be drilled from surface locations in the SW/4 SW/4 (Unit M) of irregular Section 4, to bottomhole locations in the SE/4 SE/4 (Unit P) of irregular Section 3.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject spacing unit.
4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. The Division issued a prehearing order on November 23, 2026, which set Permian Resources Operating, LLC's ("Permian") Case Nos. 25771 and 25772 for a contested hearing on March 10, 2026. This application conflicts with Permian's cases. Therefore, Mewbourne requests that the Division consolidate this application under the existing prehearing order and issue an amended prehearing order, setting these matters for a contested hearing on March 10, 2026.

WHEREFORE, Applicant requests that this matter be set for hearing before an Examiner of the Oil Conservation Division on March 10, 2026, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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ATTORNEYS FOR MEWBOURNE OIL COMPANY

CASE: _____

Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 320-acre, more or less, well spacing unit in the Bone Spring formation underlying the S/2 S/2 of irregular Sections 3 and 4, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be initially dedicated to the proposed **Guyana Buffalo 4/3 Federal Com 408H** and **Guyana Buffalo 4/3 Federal Com 527H** wells, both to be drilled from surface locations in the SW/4 SW/4 (Unit M) of irregular Section 4, to bottomhole locations in the SE/4 SE/4 (Unit P) of irregular Section 3. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said wells. The proposed laterals fall within the city limits of Carlsbad.