

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

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING AND APPROVAL
OF NON-STANDARD SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 25953

PRE-HEARING STATEMENT

Mewbourne Oil Company (“Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Mewbourne Oil Company

ATTORNEYS

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INTERESTED PARTY

EOG Resources, Inc.

ATTORNEYS

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STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying an 876.42-acre, more or less, non-standard horizontal spacing unit comprised of the N/2 of Section 19, Township 18 South, Range 30 East, the N/2 of Section 24, Township 18 South, Range 29 East, and the NW/4 and W/2 NE/4 of Section 23, Township 18 South, Range 29 East, Eddy County, New Mexico. The Unit will be dedicated to

the following wells (“Wells”): **IOU 19/23 Fed Com #521H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 20, Township 18 South, Range 30 East, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 23, Township 18 South, Range 29 East; and **IOU 19/23 Fed Com #523H**, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 20, Township 18 South, Range 30 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 23, Township 18 South, Range 29 East.

The “West Area” of the spacing unit is the NW/4 and W/2 NE/4 of Section 23, Township 18 South, Range 29 East. The “East Area” of the spacing unit is the N/2 of Section 24, Township 18 South, Range 29 East, and the N/2 of Section 19, Township 18 South, Range 30 East. The West Area and the East Area are separated by the E/2 of the NE/4 of Section 23, Township 18 South, Range 29 East (“Separating Area”). The Separating Area is not part of the Unit. Therefore, Applicant requests approval of a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5) NMAC, which will create cost efficiencies, prevent waste, and protect correlative rights. The completed intervals of the Wells will be orthodox.

EOG Resources, Inc. (“EOG”) operates the Terlingua 23 State No. 50IH well (API No. 30-015 -44052) (“Terlingua Well”), which produces from the Second Bone Spring interval underlying the E/2 E/2 of Section 23, Township 18 South, Range 29 East. The northern half of the Terlingua Well's spacing unit is located within the Separating Area. While Mewbourne's Wells will traverse the Separating Area, the Wells will not be completed into the Separating Area. The owners within the separating area are already having their just and equitable share of hydrocarbons produced by the Terlingua Well. EOG has provided a letter of support for Mewbourne’s application. Mewbourne considered alternative development plans for this acreage, and its proposed plan will best prevent waste and protect correlative rights.

Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as the operator of the Units and Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Braxton Blandford	Landman	Affidavit	Approx. 8
Charlie Crosby	Geologist	Affidavit	Approx. 5
Gavin Edington	Engineer	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant intends to present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served upon the following counsel of record by electronic mail on February 26, 2026.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 558211

QUESTIONS

Operator: MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241	OGRID: 14744
	Action Number: 558211
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>