

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

**APPLICATIONS OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 26446 & 26447

**APPLICATIONS OF FED OPERATING,
LLC FOR APPROVAL OF A NON-STANDARD
HORIZONTAL WELL SPACING UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 26131-26132

MEWBOURNE'S RESPONSE TO FED'S SUBPOENA

Mewbourne Oil Company, ("Mewbourne"), hereby submits this response to FED Operating, LLC's (FED) subpoena.

The Division does not have authority to adjudicate a private contract or letter agreement between parties. *See* Division Order R-11700-B ("... the Division does not determine whether an applicant can validly claim real property interest in the property subject to the application . . ."). For purposes of compulsory pooling cases, all that is required is a good faith showing that a party has an interest through a written conveyance that is of record, which Mewbourne did when it filed its Motion to Amend the Pre-Hearing Order. *See* 19.15.4.12.A.1.a NMAC; *see also* **Exhibit A**. Additionally, even if Mewbourne owned an interest that was subject to the outcome of these cases, it is currently a present possessory interest. Plus, the scope of the subpoena is overly broad and untimely with a contested hearing set in less than two business days.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on September 11, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

EXHIBIT

A

CASE NOS. 26131-26132

**MOTION TO AMEND PRE-HEARING ORDER
AND SET A STATUS CONFERENCE**

Mewbourne Oil Company (“Mewbourne”) moves to amend the Pre-Hearing Order (“PHO”) issued on July 23, 2026, setting the above captioned cases for a contested hearing on August 25, 2026, to add Mewbourne’s competing applications¹ and convert the August 25, 2026 contested hearing date to a status conference or, in the alternative, to vacate the August 25, 2026 contested hearing and set the consolidated matters for a status conference on September 19, 2026. In support, Mewbourne states:

1. FED Operating, LLC (“FED”) filed its applications on April 28, 2026. Both applications seek approval of a non-standard 1,920-acre, more or less, horizontal well spacing unit covering All of Sections 5, 8 and 17, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Case No. 26131 seeks to pool the uncommitted interests in the Bone Spring and Case No. 26132 seeks to pool the uncommitted interest in the Wolfcamp.

2. On June 23, 2026, Hunt Cimarron Limited Partnership (“Hunt”) objected to FED’s applications and the cases were set for a status conference on July 23, 2026. Hunt later conveyed its interest to Rockwood Energy, LP (“Rockwood”), which sustained the original objection.

¹ Mewbourne’s competing applications have been assigned Case Nos. 26446 and 26447.

3. Following the July 23, 2026 status conference, the Division set Case Nos. 26131 and 26132 for a contested hearing on August 25, 2026 and issued the PHO the same day.

4. On August 3, 2026, Mewbourne filed an entry of appearance and objection to FED's cases and filed competing applications the following day (Case Nos. 26446 and 26447). Case No. 26446 seeks to pool the uncommitted interests in the Bone Spring formation underlying the W/2 of Section 17, and Case No. 26447 seeks to pool the uncommitted interest in the Bone Spring formation underlying the E/2 of Section 17.

5. FED filed an objection to Mewbourne's applications on August 12, 2026.

6. Permian Resources Operating, LLC, EOG Resources, Inc., and J.R. Oil, Ltd. Co. have all entered an appearance in FED's cases.

7. Mewbourne now requests that the Division amend the PHO to add Case Nos. 26446 and 26447 and convert the contested hearing date to a status conference. Good cause exists to grant this relief for at least the following four reasons.

8. First, Mewbourne acquired operating rights in the area at issue from Rockwood on July 1, 2026. *See* Exhibit A. Since that date, Mewbourne has moved quickly to protect its newly acquired interests by preparing and filing competing pooling applications, while also working diligently with the other interest owners in Section 17 to consolidate voluntary joinder in support of Mewbourne's development plan.

9. Second, although Mewbourne has acted diligently since acquiring its interests, including issuing well proposals for a competing development plan and filing competing compulsory pooling applications, Mewbourne's cases will not be ripe for a contested hearing by August 25, 2026 because it must perfect notice and have adequate time to engage in good faith negotiations, as required by the Division rules. *See* 19.15.4.12.(A)(1) and (B). Thus, the short

period between acquisition and filing applications demonstrates Mewbourne's good faith intent to pursue development of the contested acreage and engage in negotiations; however, its applications will not be ripe by the currently scheduled contested hearing date.

10. Third, Case Nos. 26131 and 26132 involve multiple parties and Mewbourne has not had an opportunity to confer with any of the other parties, let alone understand the other parties' positions given Mewbourne's recently acquired interest and competing development plan. Granting a status conference in lieu of a contested hearing will afford such an opportunity. Additionally, it will allow all parties now involved to consult and coordinate before the Hearing Examiner on witness availability and a mutually agreeable contested hearing date, as well as coordinate on sequencing and time allocation for the numerous parties in the cases, thereby streamlining processes and reducing administrative burdens on the Division.

11. Lastly, Mewbourne's newly filed competing applications fundamentally shift the posturing of the cases. Converting the contested hearing to a status conference gives the parties more time to negotiate based on the new dynamics and potentially resolve the matters without having to go to a contested hearing, which will eliminate all administrative burdens on the Division.

12. Rockwood and FED do not oppose this motion. Permian Resources Operating, LLC, EOG Resources, Inc., and J.R. Oil, Ltd. Co. did not respond prior to filing this motion.

13. WHEREFORE, Mewbourne respectfully requests that the Division grant this Motion to Amend the Pre-Hearing Order and Set Status Conference or, in the alternative, to vacate the contested hearing and set the consolidated matters for a status conference on September 19, 2026. A proposed word version of an order will be sent to the Division via email.

Respectfully submitted,

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ATTORNEYS FOR MEWBOURNE OIL COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on August 14, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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EXHIBIT
A

LEA COUNTY, NM
CARRIE SANDOVAL, COUNTY CLERK
25519
Book 2259 Page 761
1 of 1
08/05/2026 02:17 PM
BY ANGIE BEAUCHAMP

ASSIGNMENT OF OPERATING RIGHTS

ROCKWOOD ENERGY, LP (referred to herein as "Assignor") in consideration of the sum of One Hundred Dollars (\$100.00) and other good and valuable consideration paid, the receipt and sufficiency of which is hereby acknowledged, does hereby transfer, assign, sell and convey unto **MEWBOURNE OIL COMPANY**, the address of which is 414 West Texas Avenue, Midland, Texas 79701, (hereinafter referred to as "Assignee"), 99% of Assignor's interest in and to the operating rights derived from that certain Assignment, Bill of Sale and Conveyance dated effective July 1, 2026, by and between Hunt Cimarron Limited Partnership and Cimarron Exploration, LLC, as Lessor, and Rockwood Energy, LP, as Lessee, recorded in Book 2259, Page 503, Lea County Records.

Assignor reserves all right title and interest in and to any and all wellbores existing as of the effective date of this Assignment together with all oil, gas, and other substances produced therefrom, and all equipment and other personal property used or obtained in connection therewith.

This Assignment is subject to that certain Letter Agreement dated July 30, 2026, by and between Rockwood Energy LP and Mewbourne Oil Company.

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns, subject to all of the express and implied covenants and obligations of the Leases.

IN WITNESS WHEREOF, this Assignment is effective this 1st day of July 2026 (the "Effective Date").

ASSIGNOR:

ROCKWOOD ENERGY, LP

By: *Rockwood Energy Management, as GP*

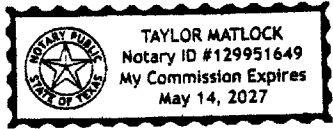
By: *Kelton Powell*

Kelton Powell, Managing Member

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on the 31 day of July 2026 by Kelton Powell, Managing Member of Rockwood Energy, LP.



Taylor Matlock
Notary Public for the State of Texas