

**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:**

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

Case Nos. 23365 & 23366

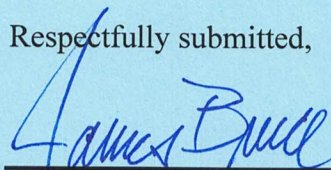
**APPLICATIONS OF EARTHSTONE OPERATING,
LLC FOR A SPACING AND PRORATION UNIT
AND COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case Nos. 23475 & 23477

NOTICE OF FILING ADDITIONAL DOCUMENT

Mewbourne Oil Company ("Mewbourne") hereby files, as Attachment X, an e-mail recently sent by the State Land Office ("SLO") to personnel from numerous operators. It discusses the SLO's policy on who may operate wells within SLO-approved units.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

Attorney for Mewbourne Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 12th day of December, 2023 by e-mail:

Michael Feldewert - mfeldewert@hollandhart.com

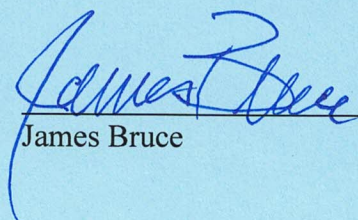
Adam Rankin - agrarkin@hollandhart.com

Julia Broggi - jbroggi@hollandhart.com

Paula Vance - pmvance@hollandhart.com

Matthew Beck - mbeck@peiferlaw.com

Bake C. Jones - blake.jones@steptoe-johnson.com



James Bruce

From: Bransford, Meghan R. <mbransford@slo.state.nm.us>

Sent: Friday, November 17, 2023 4:02 PM

To: Adam G. Rankin (Holland & Hart LLP) <AGRankin@hollandhart.com>; Addison Guelker (Fasken Oil and Ranch Ltd) <addisong@forl.com>; Aleen Smith (Walsh Engineering) <arleen@walsheng.net>; Fleming, Alexandra (Zandra) <alexandra.fleming@chevron.com>; Amber Delach (OXY) <Amber_Delach@oxy.com>; Andrea Felix (EOG Resources) <Andrea_Felix@eogresources.com>; Andrew Schill <andrew@abadieschill.com>; Andy Bennett (Devon Energy) <Andy.bennett@dvn.com>; Ashleigh Montiel (DJR Energy, LLC) <amontiel@dirllc.com>; Austin Frye <afrye@silverbackexp.com>; Barbara Wickman (Energy Inspection Services, LLC) <barbwickman@eis-llc.com>; Ben Barr (MR NM Operating LLC) <ben@cypressnr.com>; Betty Young (Read and Stevens, Inc.) <bryoung@read-stevens.com>; Blake Pickett (Franklin Mountain Energy) <bpickett@fmllc.com>; Blake Simmons (MR NM Operating LLC) <blake@mr-nm.com>; Blake Williams (Marathon Oil Company) <bdwilliams@marathonoil.com>; Brad Coffey (Spur Energy) <brad@spurenergy.com>; Bradley Bishop <bbishop@mewbourne.com>; Cassie Evans (XTO Permian Operating LLC) <Cassie.evans@Exxonmobil.com>; Charles E (Chuck) Creekmore (Hilcorp Energy Company) <ccreekmore@hilcorp.com>; Chelsey Green (Devon Energy Production Company LP) <Chelsey.Green@dvn.com>; Chrill Killion (Modrall Sperleng) <ckillion@modrall.com>; Chris Carleton (Matador Resources) <ccarleton@matadorresources.com>; Chris Jamison (Harvard Petroleum) <cjamison@hpcnm.com>; Clay Carroll (Oxy) <Clayton_Carroll@oxy.com>; Cody Gilliam (Chevron) <codygilliam@chevron.com>; Courtney Carr (OXY) <courtney_carr@oxy.com>; Dan Moir (Ensolum, LLC) <dmoir@ensolum.com>; Dana Hardy <DHardy@hinklelawfirm.com>; Dave Brown (DJR Energy) <DBrown@dirllc.com>; Deanna Swope (XTO Energy inc.) <deanna.swope@exxonmobil.com>; Devin Hencmann <Dhencmann@ensolum.com>; Dion Warr (Maverick) <Dion.Warr@mavresources.com>; Drew Dixon (Solaris Water Midstream) <drew.dixon@ariswater.com>; Drew Robison <drobison@Mewbourne.com>; Dusty Wilson (Oxy USA Inc.) <Dusty_Wilson@oxy.com>; Dwight Mallory (Legacy Reserves) <dmallory@legacyreserves.com>; Dylan Park (Coterra Energy Inc.) <dylan.park@coterra.com>; EOG Resources (Midland) <Midland_Land@eogresources.com>; Erin Costello (Plains All American Pipeline) <escostello@paalp.com>; Ethan McMahon (COMM Engineering) <ermcmahon@commengineering.com>; Fred Verner (Chevron) <Fredverner@chevron.com>; Gabby Riley (Energy Inspection Services, LLC) <gabbyriley@eis-llc.com>; Glen Hodge (Marathon Oil) <GJHodge@MarathonOil.com>; Grant Huckabay (Fasken Oil and Ranch) <granth@forl.com>; Greg Chase (G & C Service) <chevyc08@gmail.com>; Gregg Pazer (Chevron U.S.A. Inc.) <gpazer@chevron.com>; Heather Box (Fasken Oil and Ranch Ltd.) <heatherb@forl.com>; Heidi Wray (Enstor Gas, LLC) <heidi.wray@enstorinc.com>; Jaclyn McLean <JMclean@hinklelawfirm.com>; James B Laning (Oxy) <james_laning@oxy.com>; James Parrot (Beatty and Wozniak Energy Law) <JParrot@bwenergylaw.com>; Jeanette Barron (ConocoPhillips) <Jeanette.Barron@conocophillips.com>; Jennifer F Reed (ExxonMobil) <Jennifer.f.reed@exxonmobil.com>; Jenny Harms (Devon Energy Center) <Jennifer.harms@dvn.com>; Jeremy Norton (ConocoPhillips) <jeremy.norton@conocophillips.com>; Jessica Dooling (XTO Energy) <Jessica.dooling@exxonmobil.com>; Jim Few (New Tech Global Environmental) <jfew@ntglobal.com>; Jim Raley (Devon Energy) <jim.raley@dvn.com>; Jim Winchester (Independent Petroleum Associate of NM) <jimwinchester@ipanm.org>; Jimmy D. Carlile (Fasken Oil and Ranch) <jimmyc@forl.com>; Joe Evers (Oxy) <Joseph_Evers@oxy.com>; John Alexander (Dugan Production Corp) <john.alexander@duganproduction.com>; John C. Maxey (Hanson Operation Co Inc.) <jcm@hansonop.com>; Jonathon I. Gonzales (OXY) <Jonathan_Gonzales@oxy.com>; Jordan Kessler (EOG Resources) <Jordan_Kessler@eogresources.com>; Jordan Shaw V-F Petroleum Inc. <jordan@vfpetroleum.com>; Josh Verner (MR NM Operating LLC) <josh@mr-nm.com>; Juanita Farrell

ATTACHMENT



(Harvest Midstream Company) <jfarrell@harvestmidstream.com>; Julia L. Branson (Hilcorp Energy Co.) <Julia.branson@hilcorp.com>; Julie Pabon (Targa Resources Corp) <jpabon@targaresources.com>; Kaitlyn Griffin (Chevron North American Exploration) <kaitlyn.kaker@chevron.com>; Karen Sinard (Oxy) <karen_Sinard@oxy.com>; Karen Zornes (NTG Environmental) <kzornes@ntglobal.com>; Kathleen Mowery (Oxy) <Kathleen_Mowery@oxy.com>; Katie McBryde (EOG Resources Inc.) <Katie_McBryde@eogresources.com>; Kelley Michael (DCP Operating Company LP) <krmicha@dcpmidstream.com>; Kelley Montgomery (Oxy) <Kelley_montgomery@oxy.com>; Kerry Egan (Energy Transfer Company) <kerry.egan@energytransfer.com>; Kerry R. McEniry (Chevron U.S.A inc.) <Kerry.McEniry@chevron.com>; Kevin Smaka P.E. (Dugan Production) <kevin.smaka@duganproduction.com>; Khem Suthiwan (Enduring Resources) <ksuthiwan@enduringresources.com>; Kim Mendoza-Cooke (Oxy) <Kimberly_Cooke@oxy.com>; Klint Farrar (MR NM Operating LLC) <klint@cypressnr.com>; Kyle A. Armstrong (Armstrong Energy Corporation) <kaa@aecnm.com>; Kyle Perkins (Matador Resources Company) <Kperkins@matadorresources.com>; Laurie Carter (MR NM Operating LLC) <laurie@cypressnr.com>; Lee Zink (Franklin Mountain Energy) <lzink@fmellc.com>; Reeves, Leslie T <leslie_reeves@oxy.com>; Lynn Collier (Dugan Production) <Lynn.collier@duganproduction.com>; Marie Durham (Vintage Drilling LLC) <vintage@plateautel.com>; Matt Eales (Lucid Energy) <MEales@lucid-energy.com>; Mayte Reyes (ConocoPhillips) <Mayte.X.Reyes@conocophillips.com>; Meghan Twele (Centennial Resource Production, LLC) <Meghan.twele@cdevinc.com>; Melanie Roberts (Targa Resources Corp) <MRoberts@targaresources.com>; Melissa Troutman (<mttroutman@wildearthguardians.org> <mttroutman@wildearthguardians.org>); Melodie Sanjari (Marathon Oil) <msanjari@marathonoil.com>; Michael Rodriguez (Tap Rock Operating LLC.) <mdrodriguez@taprk.com>; Michael Yemm (EOG Midland Division) <Michael_yemm@eogresources.com>; Mitch Krakauskas (Strata Production) <mitch@stratanm.com>; Mohammed Yamin (Penroc Oil) <mymerch@penrocoil.com>; Mona L. Binion (DJR Energy, Inc.) <mbinion@djrlc.com>; Monti Sanders (ConocoPhillips) <monti.g.sanders@conocophillips.com>; Mystie Killion (Hudson Oil) <mystie@hudsonoil.com>; Nash Bell (Spur Energy Partners) <Nash@spurenergy.com>; Nicholas Weeks (Matador Resources Co.) <nweeks@matadorresources.com>; Pamela Graham (MorningStar Partners, L.P.) <pgraham@mspartners.com>; Pamela Stone (NM Gas Co.) <pamela.stone@nmgco.com>; Patrick Killen (Chevron) <patrickkillen@chevron.com>; Patrick Padilla (EOG Resources) <Patrick_Padilla@eogresources.com>; Paula M. Vance (Holland and Hart) <PMVance@hollandhart.com>; Philana Thompson (Merrion Oil & Gas Corp) <pthompson@merrion.bz>; Preston Miles (Federal Abstract Co) <preston@federalabstractco.com>; roverbey <roverbey@fmellc.com>; Reed Brunette (Titus Oil and Gas LLC) <rbrunette@titusoil.com>; <Stewart@eogresources.com>; Russell, Robyn M <Robyn.m.russell@conocophillips.com>; Rory McMinn (Quatro Osos E&P, LLC) <rory@rmcminn.com>; Rusty Klein <rustyklein4@gmail.com>; Ryan Cooper (OXY) <Ryan_Cooper@oxy.com>; Ryan Newport (OXY) <Ryan_Newport@oxy.com>; <sallyk@forl.com>; Samuel Cox (permian Land Grove) <scox1@marathonoil.com>; Samuel Walker (Buckhorn Productions) <swalker@hpcnm.com>; Scott Hall (LOGOS Resources II, LLC) <shall@logosresourcesllc.com>; Sharon Crumb (DJR Energy, LLC) <scrumb@djrlc.com>; Sharon T. Shaheen (Montgomery & Andrews, P.A.) <sshaheen@montand.com>; Sheila Simmons (Fasken Oil and Ranch) <sheilas@forl.com>; Stanton Morrow (MR NM Operating LLC) <jsm@cypressnr.com>; Stephanie Williams (Chevron U.S.A. Inc) <StephanieAWilliams@chevron.com>; Stephen J. Thompson (Marathon) <sjthompson@marathonoil.com>; Taylor Hall (OXY) <Taylor_Hall@oxy.com>; Stathem, Terri (MRO) <tstathem@marathonoil.com>; tim.baker <tim.baker@conocophillips.com>; Timothy H. Edwards (HTI Resources, Inc.) <the@htinm.com>; Todd Whitworth (Exxon) <todd.whitworth@exxonmobil.com>; Tracey Jensen (LM Energy Partners) <taj@lmenergypartners.com>; Travis Whitham (Enduring Resources, LLC)

twytham@enduringresources.com; Tyra Feil (Dugan Production) <Tyra.Feil@duganproduction.com>; Vaughn Vennerberg (MoringStar Partners) <vvennerberg@mspartners.com>; Vincent J. DiCosimo (Targa Resources Corp) <VDiCosimo@targaresources.com>; Whitney Dobson (Aris Water Solutions) <whitney.dobson@ariswater.com>; Will Winston (XTO Energy Inc.) <Will.Winston@Exxonmobil.com>; Nate Alleman <nate.alleman@aceadvisors.com>; Anthony Seach (<aseach@ameredev.com> <aseach@ameredev.com>); Christie Hanna <channa@ameredev.com>; Quiring, Kelly <Kelly.Quiring@apachecorp.com>; Hume, Alyssa <Alyssa.Hume@apachecorp.com>; Johnson, Blake <Blake.Johnson@apachecorp.com>; Rios, Christina <Christina.Rios@apachecorp.com>; Eric Johnson (<eric.johnson@apachecorp.com> <eric.johnson@apachecorp.com>); Harrison, Gloria <gloria.harrison@apachecorp.com>; Mullin, Leslie <Leslie.Mullin@apachecorp.com>; Brown, Naomi <Naomi.Brown@apachecorp.com>; Kevin Klein (Armstrong Energy Corp.) <kklein@aecnm.com>; Blake Morphew <blake@bampermian.com>; Miguel Suazo <msuazo@bwenergylaw.com>; Mike Davis <mdavis@blackhawkenergycorp.com>; Anthony Cross <across@bexp.com>; Rex Barker (<rbarker@btaoil.com> <rbarker@btaoil.com>); Kellie Hibler (<KellieHibler@chevron.com> <KellieHibler@chevron.com>); Chambliss, Laura <LauraChambliss@chevron.com>; Van Curen, Jennifer <jennifer.vancuren@chevron.com>; Crawford, Douglas <dccrawford@chevron.com>; Gutierrez, Irvin <Irvin.Gutierrez@chevron.com>; Christopher Mitton <CMitton@civiresources.com>; Ocean Munds-Dry <omundsdry@civiresources.com>; Sheldon, Cindy <Cindy.Sheldon@dvn.com>; Lorre Youngblood (<Lorre.Youngblood@dvn.com> <Lorre.Youngblood@dvn.com>); Evangelena Benallie <Evangelena.Benallie@duganproduction.com>; Mikah Thomas <MThomas@earthstoneenergy.com>; Roger Lowery <RLowery@earthstoneenergy.com>; Barbara Wickman <bgwickman@hotmail.com>; Delgado, Alicia A <ALICIA.DELGADO@energytransfer.com>; Brian Flynt <Brian_Flynt@eogresources.com>; Brian Pond (<Brian_Pond@eogresources.com> <Brian_Pond@eogresources.com>); Chloe Sawtelle (<Chloe_Sawtelle@eogresources.com> <Chloe_Sawtelle@eogresources.com>); Christy Bonetti (<Christy_Bonetti@eogresources.com> <Christy_Bonetti@eogresources.com>); Clay Haggard (<Clay_Haggard@eogresources.com> <Clay_Haggard@eogresources.com>); Dustin Bynum (<Dustin_Bynum@eogresources.com> <Dustin_Bynum@eogresources.com>); Ellarie Sutton (<Ellarie_Sutton@eogresources.com> <Ellarie_Sutton@eogresources.com>); Gregory Kohlhof (<Gregory_Kohlhof@eogresources.com> <Gregory_Kohlhof@eogresources.com>); James Barwis (<James_Barwis@eogresources.com> <James_Barwis@eogresources.com>); Janice Cravens (<Janice_Cravens@eogresources.com> <Janice_Cravens@eogresources.com>); Judy Fisher (<Judy_Fisher@EOGResources.com> <Judy_Fisher@EOGResources.com>); Julio Garza <Julio_Garza@eogresources.com>; Laci Stretcher (<Laci_Stretcher@eogresources.com> <Laci_Stretcher@eogresources.com>); Matthew Gray (<Matthew_Gray@eogresources.com> <Matthew_Gray@eogresources.com>); Matthew Smith (<Matthew_Smith@eogresources.com> <Matthew_Smith@eogresources.com>); Riker Everett (<Riker_Everett@eogresources.com> <Riker_Everett@eogresources.com>); Robert Pledger <Robert_Pledger@eogresources.com>; Silvia Iglesias <Silvia_Iglesias@eogresources.com>

Subject: [EXT] Issues with APDs and Units

Over the past few months we have come across a number of APDs (whether new, not drilled or about to be drilled) or wells that traverse unit boundaries where the operator of the proposed well or wells is NOT the unit operator. Pursuant to unit agreements, the unit operator must be the well operator of any unit well.

The failure to adhere to this contractual requirement can prove extremely problematic on many levels, and the failure to adhere to this requirement results in issues with both the BLM (when federal lands are included) and the State Land Office. Further, the failure to follow unit requirements may lead to more

severe consequences for the unit operator and the operator who impermissibly drilled across unit boundaries.

Moreover, per the horizontal well spacing rule, 19.15.16.15.B.6 NMAC, "No horizontal spacing unit may be designated that lies partly within, and partly outside of, a state exploratory unit, or a federal exploratory unit or participating area if the horizontal spacing unit includes state trust lands, without the written consent of the commissioner of public lands." The wells the Land Office has identified thus far that have been drilled or that have sought APDs do NOT have the consent of the Commissioner.

Often, when the Land Office is made aware of an issue, the Land Office can assist to find a resolution to potential barriers to development. However, when development occurs in violation of agreements, the workload of oil and gas staff at the Land Office increases exponentially in a division that is already understaffed. This results in slowdowns to industry as a whole that we certainly do not wish to see, especially since units result in more than 85% of our oil and gas revenue.

In sum, please review APDs to ensure that they are not entering others' units or unitized intervals without Land Office authorization.

Please let us know if you have any questions.

Allison Marks

Director
Oil, Gas & Minerals Division
505.827.5745
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
amarks@slo.state.nm.us

nmstatelands.org

.....

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.