

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

**APPLICATION OF MEWBOURNE OIL COMPANY
FOR APPROVAL OF EXPANSION OF A UNIT AREA,
LEA COUNTY, NEW MEXICO.**

Case No. 21418

**MEWBOURNE'S RESPONSE
IN OPPOSITION TO JOINT MOTION FOR CONTINUANCE**

Mewbourne Oil Company ("Mewbourne") submits this response in opposition to the Motion for Continuance filed by Apache Corporation, *et al.* (the "objectors"). In support of its response, Mewbourne states:

1. Mewbourne, in its application, seeks approval of the expansion of the North Wilson Deep Unit. This is an exploratory unit, and participation by an interest owner is completely voluntary, so objectors' interests are unaffected by Mewbourne's application. Many other working interest owners have ratified the proposed unit expansion.

2. Mewbourne has not been informed by the objectors of their issues with the unit parameters. Mewbourne has attempted to have a teleconference with all contesting parties, but has only been able to meet with 3 out of the 5. Mewbourne is currently waiting for a response from the 3 companies with who it had contact on optional offers regarding the unit. The other 2 companies have either not responded or felt like a conversation was not needed.

Mewbourne would point out that most of the objectors' tracts are already subject to JOAs under which Mewbourne is the operator. Whether under JOAs, or under tracts not subject to a JOA, the objectors would still have the right to propose wells and, if necessary, seek compulsory pooling for any of their proposed wells.

3. The objectors received unitization proposals in August. They received notice of the hearing three months ago. They have had sufficient time to prepare for a hearing.

4. The timing of the hearing is as follows:

(a) The hearing was originally set for hearing on September 10th.

(b) The hearing was voluntarily continued by Mewbourne to September 24th, and then to October 22nd.

(c) At the scheduling conference on October 22nd, Mewbourne never stated that the hearing was uncontested. It was set for hearing on December 3rd, at the end of the regular docket, as a contested matter. Mewbourne did state that its testimony would be brief, (and it will be).

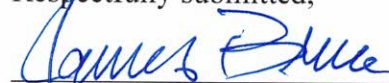
5. The objectors say there are “grave concerns” about impairment to their correlative rights. What are they? They do not explain what they are. Frankly, there are none. They will still have the same working interest percentages in their tracts, and their leasehold and contractual rights will remain unchanged. They will still have the right to seek development of their acreage, subject to the Division’s compulsory pooling authority.

6. The State Land Office has preliminarily approved the unit expansion, and would like to see development proceed in an area that has not been drilled in over a decade.

7. There is no reason to continue the case past December 3rd.

WHEREFORE, Mewbourne requests that the Division deny the Joint Motion.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 25th day of November, 2020 via e-mail:

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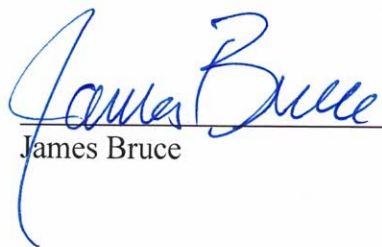
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