## 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. 21722

#### **EOG'S PRE-HEARING STATEMENT**

EOG Resources, Inc. ("EOG") submits this pre-hearing statement as required by

the rules of the Oil Conservation Division.

#### **APPEARANCES**

#### APPLICANT

ATTORNEY

Mewbourne Oil Company

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 505-982-2043

## AFFECTED PARTY

EOG Resources, Inc.

#### ATTORNEY

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Holland & Hart LLP Post Office Box 2208 Santa Fe, NM 87504 (505) 988-4421 (505) 983-6043 Facsimile

#### EOG'S STATEMENT OF THE CASE

Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 3 and 4 (the N/2NW/4) of Section 2 and Lots 1-4 (the N/2N/2) of Section 3, Township 18 South, Range 30 East, NMPM, for its proposed Loco Hills 2/3 B2CD Fed. Com. Well No. 1H well. EOG requests that the pooling order contain the following provision:

Applicant grants EOG Resources the ability to sequentially elect to pay its share of costs for the proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of the well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for the well.

This provision is reasonable and necessary to protect EOG from premature election and

payment obligations for the proposed well.

# **PROCEDURAL ISSUES**

EOG does not oppose this case being presented by affidavit if the requested

election and payment provision is acceptable to the Applicant.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

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# ATTORNEYS FOR EOG RESOURCES, INC.

## **CERTIFICATE OF SERVICE**

I hereby certify that on February 25, 2021, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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

ATTORNEY FOR MEWBOURNE OIL COMPANY

Michael H. Feldewert