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

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 21219

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 21220

### MEWBOURNE OIL COMPANY'S RESPONSE TO MOTION TO STRIKE

Mewbourne Oil Company ("Mewbourne") submits this Response to COG Operating LLC's ("COG") Motion To Strike Or, In The Alternative, To Supplement The Record (the "Motion"):

- 1. Mewbourne does not object to admission of the additional information supplied to the Division by COG.
- 2. However, Mewbourne clarifies the information set forth in COG's Motion: Attached hereto as Attachment 1 is the Affidavit of Corey Mitchell, which evidences that Mewbourne (i) agreed to an election extension, and (ii) agreed to continue settlement negotiations.

WHEREFORE, Mewbourne agrees to let subsequent settlement discussions into the record.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 12 th day of August, 2020 by e-mail:

Ocean-Munds-Dry <a href="mailto:omundsdry@.concho.com">omundsdry@.concho.com</a>

Michael Rodriguez mrodriguez@concho.com

James Bruce

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### AFFIDAVIT OF COREY MITCHELL

Corey Mitchell, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a landman for Mewbourne Oil Company ("Mewbourne").
- 3. I have reviewed the Affidavit of Ashley Roush attached to COG Operating LLC's ("COG") Motion. While the affidavit is basically correct insofar as it goes, Mewbourne <u>did</u> in fact agree to extend the subject election deadline for the proposed wells in the N/2 of Section 6.
- 4. Subsequent to the e-mail between Ms. Roush and me, I had contact with Mark Carter of COG on July 17<sup>th</sup>. That e-mail is attached hereto as **Exhibit A**. It was accompanied by a revised settlement agreement, and stated that Mewbourne would agree to a one week extension of the election deadline in order to effect the settlement. Mewbourne never heard back from COG.
- 5. In addition, the election letter from COG did <u>not</u> state that COG "would not participate in its (Mewbourne's) proposed *wells because COG has already proposed its* preferred development plan to Mewbourne." It stated no such thing; it simply stated that "Concho has elected not to participate." The letter is attached hereto as **Exhibit B**.

ATTACHMENT

Corey Mitchell

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of August, 2020 by Corey Mitchell.

My Commission Expires: 12/09/2023

John Bradley Dunn My Commission Expires 12/09/2023 ID No. 130462676 Notary Public

#### **Corey Mitchell**

From:

Corey Mitchell

Sent: To: Friday, July 17, 2020 9:08 AM

Cc:

Mark Carter Ashley Roush

Subject:

Devon 6 Fee Wells

Attachments:

Concho Letter Agreement.docx

Mark,

Pursuant to our conversation, Mewbourne Oil Company is agreeable to extending COG's elections under its Devon 6 Fee well proposals until Friday, July 24, 2020. This is to allow time for MOC and COG to enter into a Letter Agreement. This should be more than enough time as COG has already executed a version of said Letter Agreement before. To assist in accomplishing this, I have attached a revised letter agreement for your use that takes into account the points we discussed.

The attached is in line with the previous letter agreement as it covers the exact same lands and general terms. The only exception is I excluded the language concerning the hearing/cases since the hearing has already taken place. Furthermore, I revised the last paragraph to mirror what was agreed to by Devon and COG in its Letter of Intent dated June 23, 2020.

Please review and let me know if you have any questions. I hope your root canal goes smoothly today. Thanks.

Corey Mitchell Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715

**EXHIBIT** 



Vice President of Delaware Basin

July 16, 2020

Mewbourne Oil Company Fasken Center 500 West Texas, Suite 1020 Midland, TX 79701

Attn: Mitch Robb

Re:

Devon 6 W0AD Fee 1H

Devon 6 W1AD Fee 2H Devon 6 W0HE Fee 1H Devon 6 W1HE Fee 2H N2 of Section 6, T25S, R28E Eddy County, New Mexico Transmitted via Email

Jeff Gasch

Ladies and Gentlemen,

Concho Operating LLC ("Concho") is in receipt of Mewbourne Oil Company's ("Mewbourne") proposals for the above-mentioned wells under the Joint Operating Agreement, dated February 15, 2005. Please be advised that Concho has elected **not to participate** in the drilling of these wells.

We appreciate Mewbourne's interest in Concho's acreage, and would request that all future correspondence regarding Concho acreage continue to be directed to our Joint Ventures group for the most efficient handling. The address is as follows:

COG Operating LLC 600 W. Illinois Avenue Midland, TX 79701 Attn: Joint Interest Ventures <u>iiv@concho.com</u>

Sincerely,

Docusigned by:

-904512269C5F4F0...

Jeff Gasch

Vice President of Delaware Basin

EXHIBIT