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

APPLICATION OF CHEVRON U.S.A. INC. FOR AN OVERLAPPING SPACING UNIT IN THE BONE SPRING FORMATION AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 21499

APPLICATION OF CHEVRON U.S.A. INC. FOR AN OVERLAPPING SPACING UNIT IN THE WOLFCAMP FORMATION AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 21500

MEWBOURNE'S PARTIAL RESPONSE IN OPPOSITION TO CHEVRON'S MOTION TO STAY COMPETING DRILLING PERMITS

Mewbourne Oil Company ("Mewbourne") submits this partial response in opposition to the Motion to Stay Mewbourne's Competing Drilling Permits (the "Motion") filed by Chevron U.S.A. Inc. ("Chevron"). In support of its response, Mewbourne states:

- 1. In these cases Chevron seeks orders pooling well units in the Bone Spring and Wolfcamp formations in the E/2 of Section 26 and the E/2 of Section 35, Township 23 South, Range 28 East, N.M.P.M.. These cases are set on the Division's November 5, 2020 docket.
- 2. Mewbourne, as operator under a JOA covering Section 35, submitted well proposals to working interest owners for competing wells in the E/2 of Section 35. APDs for the wells have been issued, but well commencement is not imminent.
 - 3. Chevron filed its Motion on October 7, 2020.
 - 4. The parties are in discussions to try to resolve their differences.
- 5. As a result, Mewbourne requests until Tuesday, October 20, 2020 to respond to the Motion to determine if the parties might come to a voluntary agreement, resulting in the Motion being withdrawn.

WHEREFORE, Mewbourne requests that the Division refrain from deciding the Motion until after October 20, 2020 to see if the parties might amicably resolve their differences.

Respectfully submitted,

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