

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

**APPLICATION OF SIANA OIL & GAS CO.
FOR AN ACCOUNTING FROM MEWBOURNE OIL COMPANY
UNDER ORDER NOS. R-21292 AND R-21293 AND TO DECLARE
CERTAIN ACCOUNTING PRACTICES IMPROPER,
LEA COUNTY, NEW MEXICO**

**CASE NO. 22378
Order No. R-22589**

NOTICE OF SUBMISSION OF ACTUAL WELL COSTS

In accordance with New Mexico Oil Conservation Division Order No. R-22589 (“Order”), issued on March 31, 2023, Mewbourne Oil Company’s (“Mewbourne”) itemized schedules of Actual Well Costs for the Inland 26/23 B2OJ State Com 1H and Inland 26/23 B2PI State Com 1H wells are attached to this notice as Exhibit 1. Mewbourne is providing this notice, including Exhibit 1, to Siana Oil & Gas Co. as reflected on the attached certificate of service.

Respectfully submitted,

HINKLE SHANOR LLP

By: /s/ Dana S. Hardy

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CERTIFICATE OF SERVICE

I hereby certify that on April 11, 2023, I served a true and correct copy of Mewbourne Oil Company's Notice of Submission of Actual Well Costs, including Exhibit 1, to be sent by certified mail and electronic mail to:

Tom Ragsdale – tmragsdale@sianoil.com

Danielle Caldwell – dcaldwell@sianoil.com

Siana Oil & Gas Co., LLC
Attn: Tom Ragsdale
8500 Cypresswood Drive Suite #104
Spring, Texas 77379

Tom M. Ragsdale
Siana Oil and Gas, LLC
P.O. Box 2246
Conroe, TX 77305

Tom M. Ragsdale
Siana Oil and Gas, LLC
12012 Wickerchester Lane, Suite 410
Houston, TX 77079

Siana Oil & Gas Co., LLC
c/o Registered Agents Inc.
5900 Balcones Drive, Suite 100
Austin, TX 78731

/s/ Dana S. Hardy
Dana S. Hardy

Property **62948000:INLAND 26/23 B2PI STATE COM 1H**
 Location **Sec. 26, T21S, R34E, Lea, NM**

Code	Description	Actual Cost
0180-0100	Regulatory Permits & Surveys	\$ 9,294.78
0180-0105	Location / Road / Site / Preparation	\$ 86,794.59
0180-0106	Location / Restoration	\$ 141,202.72
0180-0110	Daywork / Turnkey / Footage Drilling	\$ 395,995.72
0180-0114	Fuel	\$ 70,002.42
0180-0120	Mud, Chemical & Additives	\$ 45,975.95
0180-0121	Mud, Chemical & Additives	\$ 83,962.22
0180-0125	Cementing	\$ 112,618.15
0180-0130	Logging & Wireline Services	\$ -
0180-0134	Casing / Tubing / Snubbing Service	\$ 13,663.32
0180-0137	Mud Logging	\$ 12,384.65
0180-0145	Water & Other	\$ 114,148.50
0180-0148	Bits	\$ 55,508.56
0180-0150	Inspection & Repair Services	\$ 80,384.83
0180-0158	Testing & Flowback Services	\$ 7,168.73
0180-0164	Rig Mobilization	\$ 104,949.95
0180-0165	Transportation	\$ 13,693.30
0180-0168	Welding Services	\$ 1,641.20
0180-0170	Contract Services & Supervision	\$ 56,985.82
0180-0175	Directional Services	\$ 256,857.12
0180-0180	Equipment Rental	\$ 180,657.31
0180-0184	Well / Lease Legal	\$ 3,051.43
0180-0185	Well / Lease Insurance	\$ 3,350.07
0180-0188	Intangible Supplies	\$ 11,106.94
0180-0190	Damages	\$ -
0180-0195	Company Supervision	\$ 67,777.50
0180-0196	Overhead Fixed Rate	\$ 7,968.30
0180-0199	Contingencies	\$ -
	Drilling Intangible Sub-Total	\$ 1,937,144.08
0181-0794	Casing (10.1" - 19.0")	\$ 63,719.32
0181-0795	Casing (8.1" - 10.0")	\$ 121,537.50
0181-0796	Casing (6.1" - 8.0")	\$ 257,740.75
0181-0860	Drilling Head	\$ 36,899.33
	Drilling Tangible Sub-Total	\$ 479,896.90
	Drilling Total	\$ 2,417,040.98
0180-0200	Regulatory Permits & Surveys	\$ 2,957.04
0180-0205	Location / Road / Site / Preparation	\$ 24,699.12
0180-0206	Location / Restoration	\$ 55,137.78
0180-0210	Daywork / Turnkey / Footage Drilling	\$ 25,276.32
0180-0214	Fuel	\$ 230,618.94
0180-0222	Horizontal Drillout Services	\$ 164,403.95
0180-0223	Stimulation Toe Preparation	\$ 16,471.35

Mewbourne Oil Company
Case No. 22378
Exhibit 1

Code	Description	Actual Cost
0180-0225	Cementing	\$ 29,883.37
0180-0230	Logging, Wireline & Digital Services	\$ 233,538.52
0180-0234	Casing / Tubing / Snubbing Service	\$ 4,429.06
0180-0241	Stimulation	\$ 1,162,574.69
0180-0242	Stimulation Rentals & Other	\$ 220,862.46
0180-0245	Water & Other	\$ 177,127.39
0180-0248	Bits	\$ -
0180-0250	Tubular Rental, Inspection & Repair Services	\$ 1,988.78
0180-0254	Misc. Air & Pumping Services	\$ -
0180-0258	Testing & Flowback Services	\$ 2,207.63
0180-0260	Completion / Workover Rig	\$ -
0180-0265	Transportation	\$ 21,100.48
0180-0268	Welding Services	\$ 7,368.75
0180-0270	Contract Services & Supervision	\$ 42,184.18
0180-0280	Equipment Rental	\$ 13,407.24
0180-0288	Intangible Supplies	\$ -
0180-0290	Damages	\$ 2,059.55
0180-0292	ROW & Easements	\$ 4,709.55
0180-0295	Company Supervision	\$ 34,609.00
0180-0296	Overhead Fixed Rate	\$ 35,163.37
0180-0299	Contingencies	\$ -
	Completion Intangible Sub-Total	\$ 2,512,778.52
0181-0797	Casing (4.1" - 6.0")	\$ 103,510.72
0181-0798	Tubing	\$ 72,494.43
0181-0870	Tubing Head & Upper Section	\$ 47,274.62
0181-0871	Horizontal Completion Tools	\$ 47,460.23
0181-0880	Subsurface Equipment	\$ 16,375.77
0181-0886	Surface Pumps & Prime Movers	\$ 8,227.36
0181-0890	Tanks - Oil	\$ 136,512.77
0181-0892	Emissions Control Equipment	\$ 56,316.38
0181-0895	Separation / Treating Equipment	\$ 80,993.69
0181-0898	Metering Equipment	\$ 78,252.91
0181-0900	Line Pipe & Valves - Gathering	\$ 1,535.52
0181-0906	Fittings / Valves & Accessories	\$ 170,276.09
0181-0908	Cathodic Protection	\$ -
0181-0909	Electrical Installation	\$ 87,387.65
0181-0910	Equipment Installation	\$ 117,746.20
0181-0920	Pipeline Construction	\$ 546.87
	Completion Tangible Sub-Total	\$ 1,024,911.21
	Completion Total	\$ 3,537,689.73
	Grand Total	\$ 5,954,730.71

Property **72076000:INLAND 26/23 B2OJ STATE COM 1H**
 Location **Sec. 26, T21S, R34E, Lea, NM**

Code	Description	Actual Cost
0180-0100	Regulatory Permits & Surveys	\$ 10,054.50
0180-0105	Location / Road / Site / Preparation	\$ 85,168.82
0180-0106	Location / Restoration	\$ 145,327.28
0180-0110	Daywork / Turnkey / Footage Drilling	\$ 413,342.59
0180-0114	Fuel	\$ 58,437.17
0180-0120	Mud, Chemical & Additives	\$ 40,848.67
0180-0121	Mud, Chemical & Additives	\$ 71,955.72
0180-0125	Cementing	\$ 115,187.51
0180-0130	Logging & Wireline Services	\$ -
0180-0134	Casing / Tubing / Snubbing Service	\$ 20,448.55
0180-0137	Mud Logging	\$ 13,174.95
0180-0145	Water & Other	\$ 104,610.24
0180-0148	Bits	\$ 61,147.45
0180-0150	Inspection & Repair Services	\$ 84,370.27
0180-0158	Testing & Flowback Services	\$ 3,803.28
0180-0164	Rig Mobilization	\$ 108,359.38
0180-0165	Transportation	\$ 10,972.33
0180-0168	Welding Services	\$ 3,518.34
0180-0170	Contract Services & Supervision	\$ 58,552.50
0180-0175	Directional Services	\$ 260,279.00
0180-0180	Equipment Rental	\$ 173,243.84
0180-0184	Well / Lease Legal	\$ 3,051.43
0180-0185	Well / Lease Insurance	\$ 3,350.83
0180-0188	Intangible Supplies	\$ 20,140.84
0180-0190	Damages	\$ -
0180-0195	Company Supervision	\$ 70,559.25
0180-0196	Overhead Fixed Rate	\$ 7,390.33
0180-0199	Contingencies	\$ -
	Drilling Intangible Sub-Total	\$ 1,947,295.07
0181-0794	Casing (10.1" - 19.0")	\$ 54,442.45
0181-0795	Casing (8.1" - 10.0")	\$ 118,854.36
0181-0796	Casing (6.1" - 8.0")	\$ 253,681.93
0181-0860	Drilling Head	\$ 34,857.80
	Drilling Tangible Sub-Total	\$ 461,836.54
	Drilling Total	\$ 2,409,131.61
0180-0200	Regulatory Permits & Surveys	\$ 2,957.05
0180-0205	Location / Road / Site / Preparation	\$ 24,699.12
0180-0206	Location / Restoration	\$ 55,137.80
0180-0210	Daywork / Turnkey / Footage Drilling	\$ 38,859.16
0180-0214	Fuel	\$ 230,618.94
0180-0222	Horizontal Drillout Services	\$ 249,461.05
0180-0223	Stimulation Toe Preparation	\$ 14,528.38

0180-0225	Cementing	\$	24,512.23
0180-0230	Logging, Wireline & Digital Services	\$	231,480.14
0180-0234	Casing / Tubing / Snubbing Service	\$	5,253.90
0180-0241	Stimulation	\$	1,038,049.11
0180-0242	Stimulation Rentals & Other	\$	220,862.44
0180-0245	Water & Other	\$	177,127.36
0180-0248	Bits	\$	-
0180-0250	Tubular Rental, Inspection & Repair Services	\$	2,012.89
0180-0254	Misc. Air & Pumping Services	\$	2,405.25
0180-0258	Testing & Flowback Services	\$	1,424.25
0180-0260	Completion / Workover Rig	\$	4,974.74
0180-0265	Transportation	\$	19,833.12
0180-0268	Welding Services	\$	8,868.75
0180-0270	Contract Services & Supervision	\$	45,576.00
0180-0280	Equipment Rental	\$	15,083.29
0180-0288	Intangible Supplies	\$	-
0180-0290	Damages	\$	2,059.55
0180-0292	ROW & Easements	\$	4,709.55
0180-0295	Company Supervision	\$	36,867.75
0180-0296	Overhead Fixed Rate	\$	36,108.90
0180-0299	Contingencies	\$	-
	Completion Intangible Sub-Total	\$	2,493,470.72
0181-0797	Casing (4.1" - 6.0")	\$	102,262.55
0181-0798	Tubing	\$	97,006.20
0181-0870	Tubing Head & Upper Section	\$	29,423.82
0181-0871	Horizontal Completion Tools	\$	47,460.23
0181-0880	Subsurface Equipment	\$	16,332.15
0181-0886	Surface Pumps & Prime Movers	\$	8,227.49
0181-0890	Tanks - Oil	\$	136,512.79
0181-0892	Emissions Control Equipment	\$	56,316.39
0181-0895	Separation / Treating Equipment	\$	80,993.70
0181-0898	Metering Equipment	\$	81,699.08
0181-0900	Line Pipe & Valves - Gathering	\$	1,535.52
0181-0906	Fittings / Valves & Accessories	\$	172,018.79
0181-0908	Cathodic Protection	\$	-
0181-0909	Electrical Installation	\$	71,212.31
0181-0910	Equipment Installation	\$	116,604.62
0181-0920	Pipeline Construction	\$	546.88
	Completion Tangible Sub-Total	\$	1,018,152.52
	Completion Total	\$	3,511,623.24
	Grand Total	\$	5,920,754.85