

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JUNE 5, 2025**

CASE No. 25365

SEAFOOD TOWER 22/15 STATE COM #527H WELL

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25365

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25365	APPLICANT'S RESPONSE
Date:	June 5, 2025
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company [OGRID 14744]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Seafood Tower 22/15 State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	Vaccum; Bone Spring, South [61900]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	40 acres
Orientation:	Stand-up
Description: TRS/County	E/2 of Sections 15 and 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; Completed interval of the well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed spacing unit under 19.15.16.15.B(1)(b) NMAC.
Proximity Defining Well: if yes, description	See above
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. A
 Submitted by: Mewbourne Oil Company
 Hearing Date: June 5, 2025
 Case No. 25365

Well #1	Seafood Tower 22/15 State Com #527H (API No. Pending) SHL: 200' FSL & 210' FWL (Unit M) of Section 23 BHL: 100' FNL & 1,310' FEL (Unit A) of Section 15 Completion Target: Bone Spring formation Well Orientation: Standup Completion Location expected to be: Standard / Proximity Tract
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$12,000
Production Supervision/Month \$	\$1,200
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2

Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	29-May-25

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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25365

APPLICATION

Mewbourne Oil Company (“Mewbourne” or “Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest owners in a standard 640-acre, more or less, well spacing unit in the Bone Spring formation underlying the E/2 of Sections 15 and 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Mewbourne states:

1. Applicant is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. Mewbourne seeks to dedicate the above-referenced spacing unit to the proposed **Seafood Tower 22/15 State Com #527H** well to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15.
3. The completed interval of the well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed spacing unit under 19.15.16.15.B(1)(b) NMAC.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365**

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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Adam G. Rankin
Paula M. Vance
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ATTORNEYS FOR MEWBOURNE OIL COMPANY

CASE _____: **Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in a standard 640-acre, more or less, well spacing unit in the Bone Spring formation underlying the E/2 of Sections 15 and 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. Mewbourne seeks to dedicate the above-referenced spacing unit to the proposed **Seafood Tower 22/15 State Com #527H** well to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Hobbs, New Mexico.

**STATE OF NEW MEXICO
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CASE NO. 25365

SELF-AFFIRMED STATEMENT OF PEYTON WARREN

1. My name is Peyton Warren. I work for Mewbourne Oil Company (“Mewbourne”) as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Mewbourne in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. Under **Case No. 25365**, Mewbourne seeks an order pooling all uncommitted interests in a standard 640-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Sections 15 and 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. Mewbourne seeks to initially dedicate the unit to the proposed **Seafood Tower 22/15 State Com #527H** well to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15.

6. **Mewbourne Exhibit C-1** contains a draft Form C-102 for the well. This form demonstrates that the completed interval of the well is expected to remain within 330 feet of the

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
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adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed spacing unit under 19.15.16.15.B(1)(b) NMAC. The exhibit shows that the well will be assigned to the Vacuum; Bone Spring, South [61900].

7. **Mewbourne Exhibit C-2** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. The subject acreage is comprised of state lands. The parties Mewbourne seeks to pool are highlighted in yellow.

8. **Mewbourne Exhibit C-3** contains a sample of the well proposal letter and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what Mewbourne and other operators have incurred for drilling similar horizontal wells in the area in this formation.

9. Mewbourne requests that the overhead and administrative costs for drilling and producing the proposed well be set at \$12,000 per month while drilling and \$1,200 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

10. **Mewbourne Exhibit C-4** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Mewbourne has made a good faith effort to locate and has had communications with all of the parties that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, Mewbourne has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

11. Mewbourne has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Mewbourne seeks to pool and instructed that they be notified of this hearing. Mewbourne has conducted a diligent search of all public records in the county where the

property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

12. **Mewbourne Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Peyton Warren

Peyton Warren

4/21/2025

Date

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code [61900]	Pool Name Vacuum, Bone Spring, South
Property Code	Property Name SEAFOOD TOWER 22/15 STATE COM	Well Number 527H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 3865'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	23	18S	35E		220 FSL	210 FWL	32.7264347°N	103.4358833°W	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
A	15	18S	35E		100 FNL	1310 FEL	32.7546620°N	103.4409513°W	LEA

Dedicated Acres 640	Infill or Defining Well Defining	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

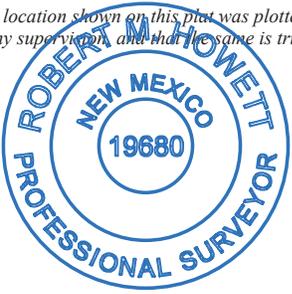
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
	22	18S	36E		100 FSL	1310 FEL			Lea

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
A	15	18S	35E		100 FNL	1310 FEL	32.7546620°N	103.4409513°W	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>	
Signature	Date	Signature and Seal of Professional Surveyor
	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico	<i>Robert M. Howett</i>
Printed Name	Exhibit No. C-1 Submitted by: Mewbourne Oil Company Hearing Date: June 5, 2025	Certificate Number
	Case No. 25365	19680
Email Address		Date of Survey
		03/28/2025

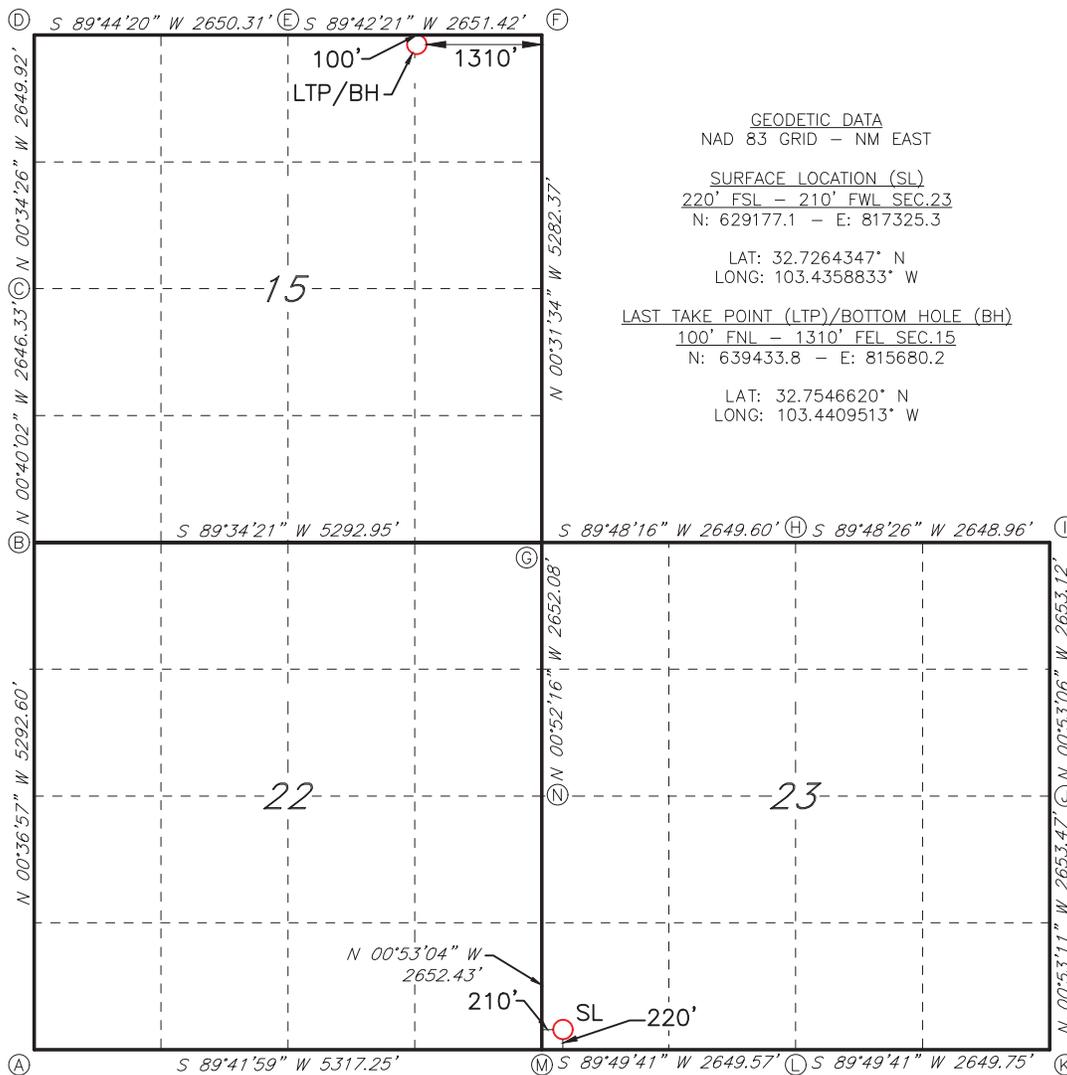
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SEAFOOD TOWER 22/15 STATE #527H



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
220' FSL - 210' FWL SEC. 23
N: 629177.1 - E: 817325.3

LAT: 32.7264347° N
LONG: 103.4358833° W

LAST TAKE POINT (LTP)/BOTTOM HOLE (BH)
100' FNL - 1310' FEL SEC. 15
N: 639433.8 - E: 815680.2

LAT: 32.7546620° N
LONG: 103.4409513° W

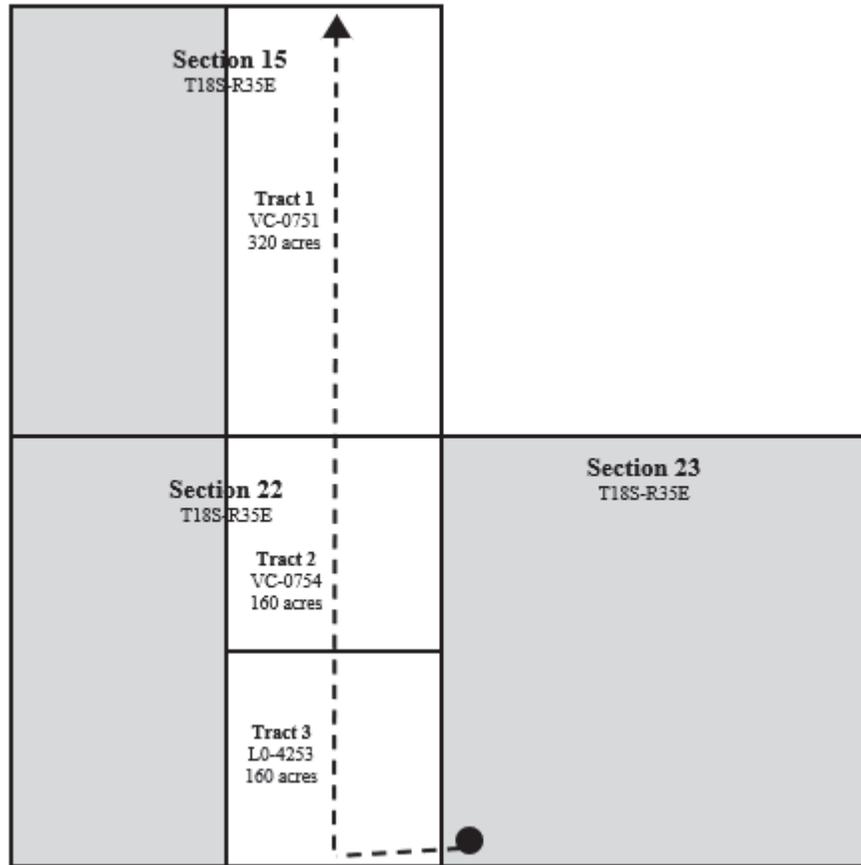
CORNER DATA
NAD 83 GRID - NM EAST

- | | |
|--|--|
| A: FOUND 1" IRON PIPE
N: 628928.6 - E: 811802.6 | H: FOUND 1/2" REBAR
N: 634268.4 - E: 819686.6 |
| B: CALCULATED CORNER
N: 634219.9 - E: 811745.7 | I: FOUND 1/2" REBAR
N: 634277.3 - E: 822335.0 |
| C: FOUND 8"X4"X6 LIMESTONE ROCK
N: 636865.6 - E: 811714.9 | J: FOUND 1/2" REBAR
N: 631625.0 - E: 822376.0 |
| D: FOUND 1/2" REBAR
N: 639514.9 - E: 811688.4 | K: FOUND 1/2" REBAR W/ WASHER "15514"
N: 628972.4 - E: 822417.0 |
| E: FOUND 1/2" REBAR
N: 639526.9 - E: 814338.1 | L: FOUND 1/2" REBAR
N: 628964.5 - E: 819767.8 |
| F: FOUND 1/2" REBAR
N: 639540.5 - E: 816989.0 | M: FOUND 1/2" REBAR
N: 628956.5 - E: 817118.7 |
| G: FOUND 1/4" BOLT
N: 634259.4 - E: 817037.5 | N: FOUND 1/2" REBAR W/ WASHER "15514"
N: 631608.1 - E: 817077.8 |

Section Plat

Seafood Tower 22/15 State Com #527H

Plat covering the E/2 of Section 22 and the E/2 of Section 15 Township 18 South, Range 35 East, Lea County, New Mexico.



Tract 1: E/2 of Section 15 – State Lease VC-0751

Mewbourne Oil Company.

Tract 2: NE/4 of Section 22 – State Lease VC-0754

Marshall & Winston, Inc.

Tract 3: SE/4 of Section 22 – State Lease B0-4253

Lario Permian II, LLC, Contango AgentCo Onshore, Inc., Rich Sharpenter Living Trust, Drusilla Cieszinski, Trustee of The Cieszinski Trust.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
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**RECAPITULATION FOR
Seafood Tower 22/15 State Com #527H**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	320.00	50.0000%
2	160.00	25.0000%
3	160.00	25.0000%
Total	640.00	100.0000%

**TRACT OWNERSHIP
Seafood Tower 22/15 State Com #527H**

Total:

Mewbourne Oil Company	50.000000%
Marshall & Winston, Inc.	25.000000%
Lario Permian II, LLC	23.181276%
Contango AgentCo Onshore, Inc.	* 1.307672%
Rich Sharpenter Living Trust	* 0.284433%
Drusilla Cieszinski, Trustee of the Cieszinski Trust under Trust Agreement dated May 15, 2007	* 0.226619%
	100.000000%

*** 1.818724% Total Interest Being Pooled.**

Tract 1: E/2 of Section 15 – State Lease VC-0751

Mewbourne Oil Company. (100%)

Tract 2: NE/4 of Section 22 – State Lease VC-0754

Marshall & Winston, Inc. (100%)

Tract 3: SE/4 of Section 22 – State Lease B0-4253

Lario Permian II, LLC (92.725106%), Contango AgentCo Onshore, Inc. (5.230686%), Rich Sharpenter Living Trust (1.137731%), Drusilla Cieszinski, Trustee of The Cieszinski Trust (0.906477%).

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020
Midland, Texas 79701
Phone (432) 682-3715

April 1, 2025

Certified Mail

Working Interest Owner

Re: Seafood Tower 22/15 Working Interest Unit
E/2 of Section 22 and E/2 of Section 15
T18S, R35E, Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a working interest unit comprising the E/2 of Section 22 and E/2 of Section 15, T18S, R35E, Lea County, New Mexico. As part of the initial development, MOC also proposes drilling the following well:

Seafood Tower 22/15 State Com #527H – API #pending
Surface Location: 200' FSL & 150' FWL (Section 23, T18S, R35E)
Bottom Hole Location: 100' FNL & 1310' FEL (Section 15, T18S, R35E)
Proposed Total Vertical Depth: 9397'
Proposed Total Measured Depth: 19257'
Target: 2nd Bone Spring Sand

The well is tentatively planned to spud 2nd quarter of 2024 depending on rig availability and commodity prices. In the event you elect to participate in the above referenced wells, please execute the enclosed AFEs before returning them to the undersigned within thirty (30) days. After receipt of the executed AFEs, our Operating Agreement will be sent naming MOC as Operator providing a drilling well rate of \$12,000 per month and a producing well rate of \$1200 per month. Please enclose your most current well information requirements so that we may supply well data when available.

Please contact me at (432) 682-3715 or via email at tjolly@mewbourne.com if you have any questions.

Very truly yours,

MEWBOURNE OIL COMPANY



Tyler Jolly
Landman

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365

Summary of Communications

Seafood Tower 22/15 State Com #527H

**E/2 of Section 22 and E/2 of Section 15, Township 18 South, Range 35 East, Lea County,
New Mexico**

Contango AgentCo Onshore, Inc.:

4/1/2025: Mailed Well Proposal Letter and AFEs to above listed party.

4/16/2025: Mailed correspondence with the above listed party.

5/1/2025: Email with a representative of the above listed party.

5/13/2025: Email with a representative of the above listed party.

5/14/2025: Email with a representative of the above listed party.

5/19/2025: Email with a representative of the above listed party.

5/20/2025: Email with a representative of the above listed party.

5/21/2025: Email with a representative of the above listed party.

5/22/2025: Email with a representative of the above listed party.

Rich Sharpenter Living Trust:

4/1/2025: Mailed Well Proposal Letter and AFEs to above listed party.

4/16/2025: Mailed correspondence with the above listed party.

5/27/2025: Phone call to the above listed party.

Drusilla Cieszinski, Trustee of the Cieszinski Trust:

4/1/2025: Mailed Well Proposal Letter and AFEs to above listed party.

4/16/2025: Mailed correspondence with the above listed party.

5/27/2025: Phone call to the above listed party.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
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**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25365

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

1. My name is Charels Crosby. I work for Mewbourne Oil Company (“Mewbourne”) as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum geology. My credentials as an expert in petroleum geology have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Mewbourne in this case, and I have conducted a geologic study of the lands in the subject area. Mewbourne is targeting the Bone Spring formation in this case.

4. **Mewbourne Exhibit D-1** is a general locator map.

5. **Mewbourne Exhibit D-2** is a subsea structure map that I prepared for the Base of the 2nd Bone Spring Sand. The contour intervals are 100 feet. The area comprising the proposed spacing unit is outlined in a dashed black box with the approximate location and orientation of the initial well noted with a dashed green arrow. The structure map shows the targeted formation gently dipping to the east. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365

6. Mewbourne Exhibit D-2 also shows a line of cross-section through the proposed horizontal spacing unit from A to A'. I chose the logs from these wells to create the cross-section because they penetrate the targeted interval, are of good quality and have been subjected to petrophysical analysis of the targeted interval. In my opinion, these well logs are representative of the geology in the subject area.

7. **Mewbourne Exhibit D-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown in Exhibit D-3. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed wells is marked on the cross-section with a green arrow. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.

8. In my opinion, standup orientation of the proposed well is the appropriate orientation for horizontal well development in this area.

9. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbore. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Mewbourne's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

11. **Mewbourne Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

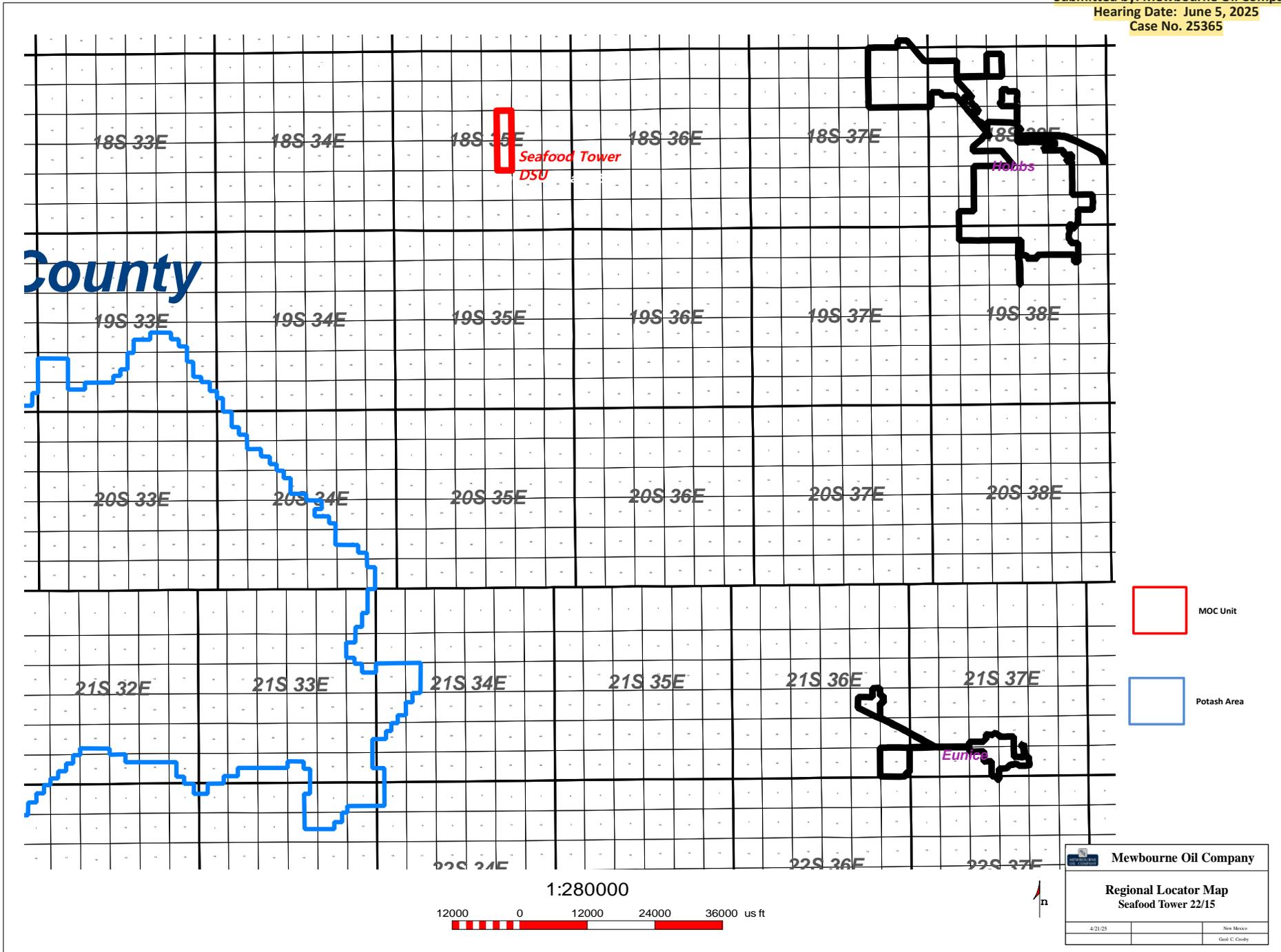
12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

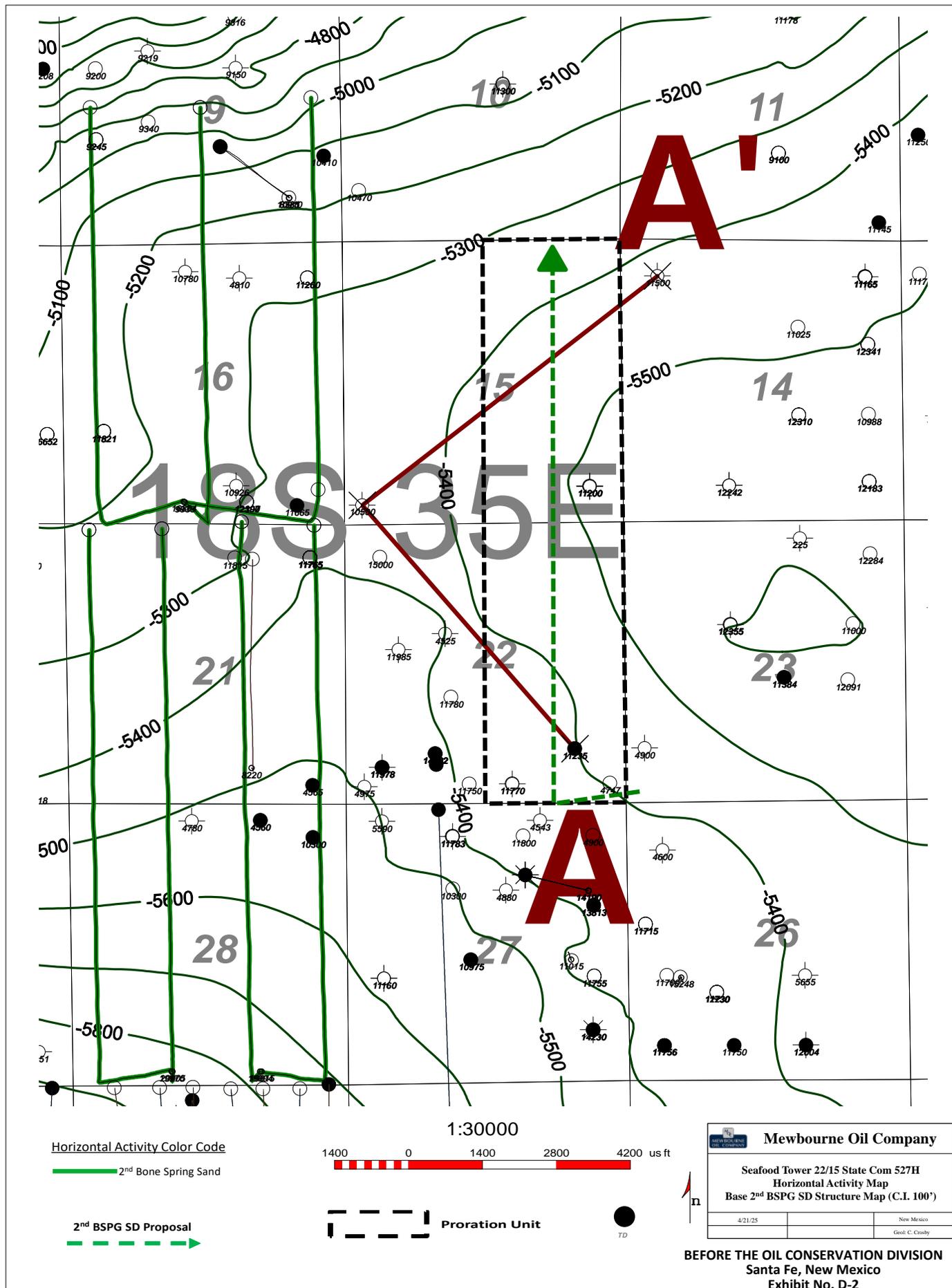


Charles Crosby



Date





A
S

A'
N

30025031240000
UNION OIL CO OF CA
STATE-LEA 'F' 1
Datum=3896.00
990 FSL 990 FEL
TWP: 18 S - Range: 35 E - Sec. 22

6123 ft

30025350380000
DEVON ENERGY PRODUCT
REEVES WEST 1
Datum=3919.00
330 FSL 330 FWL
TWP: 18 S - Range: 35 E - Sec. 15

7075 ft

30025261990000
YATES PETROLEUM CORP
REEVES 'KK' STATE 1
Datum=3912.00
660 FNL/660 FWL
TWP: 18 S - Range: 16 E - Sec. 10

15M

22P

14D

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365

500

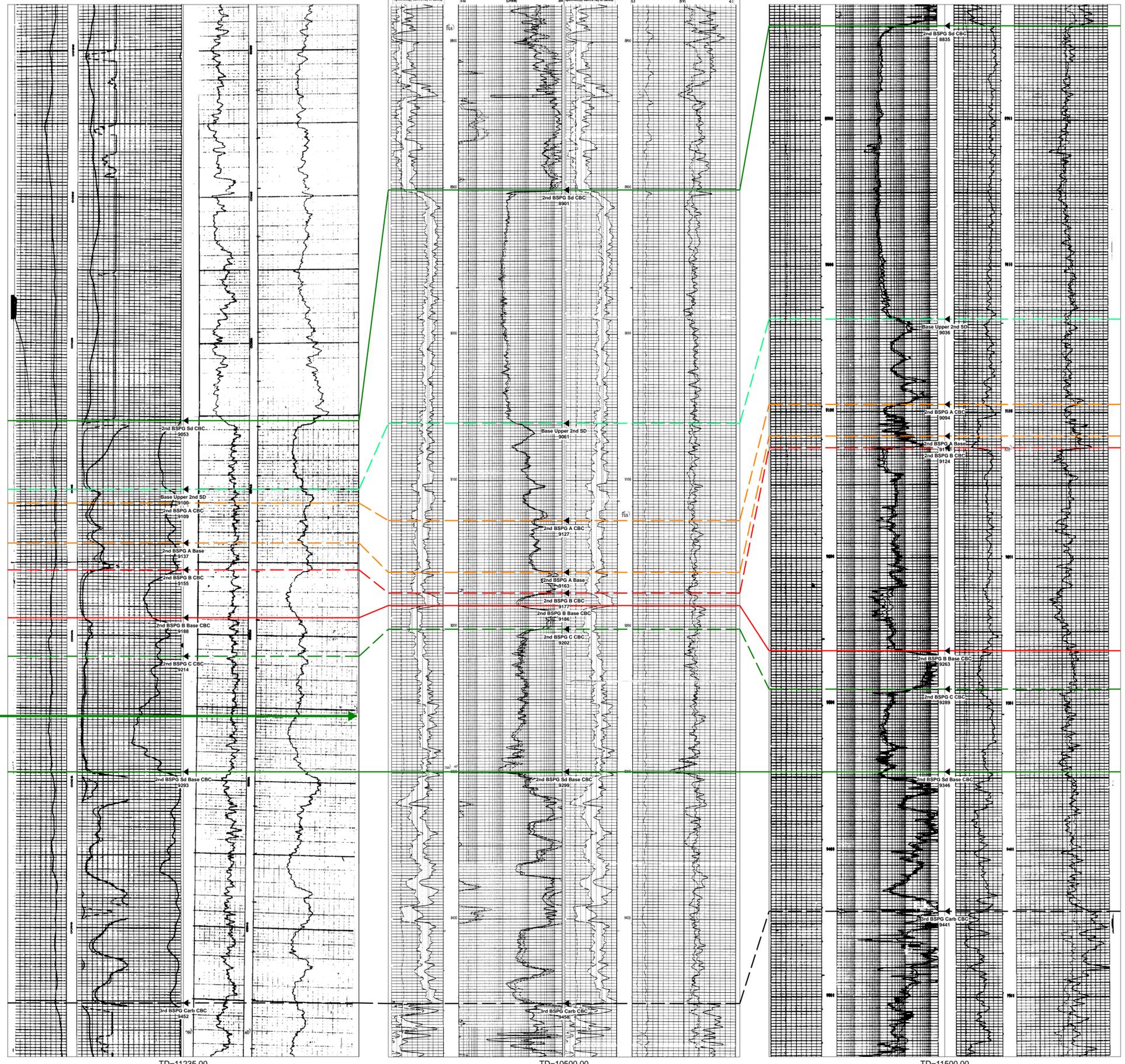
500

Top 2nd
BSPG SD

Seafood Tower 22/15
2nd BSPG SD
Target

Base 2nd
BSPG SD

Top 3rd BSPG
Carbonate



Seafood Tower 22/15 2nd BSPG SD
Cross Section Exhibit (A-A')

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

**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25365

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Mewbourne Oil Company (“Mewbourne”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 23, 2025.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365**



Paula M. Vance

5/29/25

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

April 18, 2025

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico: Seafood Tower 22/15 State Com #527H well

Greetings:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Tyler Jolly at (432) 682-3715, or at tjolly@mewbourne.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR MEWBOURNE OIL COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

MOC - Seafood Tower 527H well - Case no. 25365
Postal Delivery Report

9414811898765449848774	Alan & Linda Edwards	8121 N Fairway View Dr	Tucson	AZ	85742-9786	Your item was delivered to an individual at the address at 1:42 pm on April 21, 2025 in TUCSON, AZ 85742.
9414811898765449848958	Blue Rock Marketing Partnership	PO Box 1829	Waller	TX	77484-1829	Your item was picked up at the post office at 12:52 pm on May 1, 2025 in WALLER, TX 77484.
9414811898765449848927	Brooke Bolton Stortz Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848903	Caroline Davis Cain Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848996	Contango AgentCo Onshore Inc.	3230 Camp Bowie Blvd Ste 810	Fort Worth	TX	76107-2937	Your item was delivered to an individual at the address at 3:58 pm on April 21, 2025 in FORT WORTH, TX 76107.
9414811898765449848941	Drusilla C. Cieszinski, Trustee of The Cieszinski Trust Under Trust Agreement dated 5/15/2007	2503 Siringo Ln	Santa Fe	NM	87505-5534	Your item was picked up at the post office at 9:55 am on April 22, 2025 in SANTA FE, NM 87505.
9414811898765449848989	Ellington Camp Neel	322 S 6th St	Griffin	GA	30224-4346	Your item was delivered to an individual at the address at 11:04 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848934	FTGAIH20, Inc.	PO Box 947	Griffin	GA	30224-0025	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449848972	Glenwood Resources, Inc.	555 17th St Ste 975	Denver	CO	80202-3914	Your item has been delivered to the original sender at 11:18 am on May 5, 2025 in SANTA FE, NM 87501.
9414811898765449848613	Jeffrey G. Clevenger & Elizabeth J. Mackenzie	PO Box 869	Alpine	AZ	85920-0869	Your item was picked up at the post office at 8:17 am on April 25, 2025 in ALPINE, AZ 85920.

MOC - Seafood Tower 527H well - Case no. 25365
Postal Delivery Report

9414811898765449848668	Kelly Leigh King Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848699	Lario Permian II, LLC	PO Box 29	Denver	CO	80201-0029	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449848644	Leigh Cain Striner Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848637	Mariella & William King Charitable Lead Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848675	Marshall & Winston, Inc.	Attn Omar Sanchez, P.O. Box 50880	Midland	TX	79710	Your item has been delivered and is available at a PO Box at 7:11 am on April 22, 2025 in MIDLAND, TX 79705.
9414811898765449848118	Mile High Ventures, LLC	8456 Heather Dr	Castle Rock	CO	80108-9119	Your item has been delivered to an agent and left with an individual at the address at 2:20 pm on April 21, 2025 in CASTLE ROCK, CO 80108.
9414811898765449848156	Olivia Milz Cain Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848163	Parker Resources, LLC	6498 W Weaver Ave	Littleton	CO	80123-3866	Your item was delivered to an individual at the address at 2:24 pm on April 21, 2025 in LITTLETON, CO 80123.
9414811898765449848125	Rich Sharpenter Living Trust	444 South Ave Apt 2	Aurora	IL	60505-4877	Your item was delivered to an individual at the address at 4:51 pm on April 22, 2025 in AURORA, IL 60505.

MOC - Seafood Tower 527H well - Case no. 25365
Postal Delivery Report

9414811898765449848149	Rich Wylly King Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848187	Robert and Cynthia Toftoy	410 Chicago Rd	Newark	IL	60541-9360	Your item was picked up at the post office at 9:20 am on April 22, 2025 in NEWARK, IL 60541.
9414811898765449848170	Robyn King Bolton Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848354	Ronald Spencer Cain Estate	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848361	Russell D. Bolton Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.
9414811898765449848323	Scotty A. Smith, LLC	4086 Youngfield St	Wheat Ridge	CO	80033-3862	Your item was delivered to an individual at the address at 11:13 am on April 21, 2025 in WHEAT RIDGE, CO 80033.
9414811898765449848309	TCAB Services, Inc.	PO Box 482	Newark	IL	60541-0482	Your item was picked up at the post office at 9:42 am on April 24, 2025 in NEWARK, IL 60541.
9414811898765449848347	Three Forks Resources, LLC	4086 Youngfield St	Wheat Ridge	CO	80033-3862	Your item was delivered to an individual at the address at 11:13 am on April 21, 2025 in WHEAT RIDGE, CO 80033.
9414811898765449848385	Two Bears, LLC	65 E Broadway St Ste 303	Butte	MT	59701-9305	Your item was delivered to the front desk, reception area, or mail room at 1:55 pm on April 21, 2025 in BUTTE, MT 59701.

MOC - Seafood Tower 527H well - Case no. 25365
Postal Delivery Report

9414811898765449848330	Wizco, Inc.	65 E Broadway St Ste 303	Butte	MT	59701-9305	Your item was delivered to the front desk, reception area, or mail room at 1:55 pm on April 21, 2025 in BUTTE, MT 59701.
9414811898765449848378	Wylly Russell King Trust	306 S 5th St	Griffin	GA	30224-4344	Your item was delivered to an individual at the address at 10:40 am on April 21, 2025 in GRIFFIN, GA 30224.

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

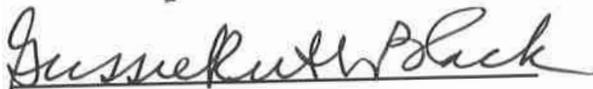
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
April 24, 2025
and ending with the issue dated
April 24, 2025.



Publisher

Sworn and subscribed to before me this
24th day of April 2025.



Business Manager

My commission expires

January 29, 2027
STATE OF NEW MEXICO
(Seal) NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL **LEGAL**

LEGAL NOTICE
April 24, 2024

Case No. 25353: Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Alan & Linda Edwards; Blue Rock Marketing Partnership; Brooke Bolton Stortz Trust; Caroline Davis Cain Trust; Contango Agent Co Onshore Inc.; Drusilla C. Cieszinski, Trustee of The Cieszinski Trust Under Trust Agreement dated 5/15/2007; Ellington Camp Neel; FTGAIH20, Inc.; Glenwood Resources, Inc.; Jeffrey G. Clevenger & Elizabeth J. Mackenzie; Kelly Leigh King Trust; Lario Permian II, LLC; Leigh Cain Striner Trust; Mariella & William King Charitable Lead Trust; Marshall & Winston, Inc.; Mile High Ventures, LLC; Olivia Milz Cain Trust; Parker Resources, LLC; Rich Sharpenter Living Trust; Rich Wylly King Trust; Robert and Cynthia Toftoy; Robyn King Bolton Trust; Ronald Spencer Cain Estate; Russell D. Bolton Trust; Scotty A. Smith, LLC; TCAB Services, Inc.; Three Forks Resources, LLC; Two Bears, LLC; Wizco, Inc.; and Wylly Russell King Trust. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on May 8, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in a standard 640-acre, more or less, well spacing unit in the Bone Spring formation underlying the E/2 of Sections 15 and 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. Mewbourne seeks to dedicate the above-referenced spacing unit to the proposed **Seafood Tower 22/15 State Com #527H** well to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 16 miles west of Hobbs, New Mexico.
#00300258

67100754

00300258

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Mewbourne Oil Company
Hearing Date: June 5, 2025
Case No. 25365