

CASE NO. 25417

**APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL
INTEREST OWNERS UNDER ORDER NO. R-23287,
EDDY COUNTY, NEW MEXICO**

EXHIBIT LIST (Revised)

Statement of Changes

1. Application and Proposed Notice
2. Landman's Affidavit
 - 2-A: Order No. R-23287
 - 2-B: Land Plat and Ownership List (**Revised**)
 - 2-C: Proposal Letter and Summary of Contacts
3. Affidavit of Notice
 - 3-A: Notice Letter and Proof of Delivery

CASE NO. 25417

**APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL
INTEREST OWNERS UNDER ORDER NO. R-23287,
EDDY COUNTY, NEW MEXICO**

Statement of Changes to Exhibits:

Exhibit 2-B was revised to list all working interest owners in the Ownership List.

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO COMPULSORY POOL ADDITIONAL INTEREST
OWNERS UNDER ORDER NO. R-23287, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 25417

APPLICATION

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling additional uncommitted mineral interest owners under Division Order No. R-23287. In support of this application, Applicant states:

1. Order No. R-23287 pooled uncommitted mineral interest owners in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, Eddy County, New Mexico (the "Unit").
2. The following well is in the Unit: The Mockingbird 16/17 Fed. Com. Well No. 523H, with a first take point in the SE4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17 (the "Well").
3. Order No. R-23287 appoints Applicant as the operator of the Unit and the Well.
4. Applicant has determined that there are additional uncommitted mineral interest owners in the Unit who were not pooled by Order No. R-23287.
5. Although Applicant has in good faith sought to obtain voluntary joinder of all uncommitted mineral interest owners in the Unit to participate in the drilling of the Well or to otherwise commit their interests to the Well, certain interest owners have failed or refused to commit their interests. Therefore, Applicant seeks an order pooling all uncommitted mineral

EXHIBIT 1

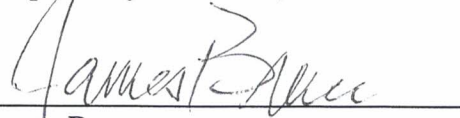
interest owners in the Bone Spring formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

6. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the Unit will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division, and, after notice and hearing, the Division issue its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the Unit under Order No. R-23287;
- B. Considering the cost of drilling, completing, testing, and equipping the Well, and allocating the cost thereof among the Well's working interest owners;
- C. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- D. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Well in the event a working interest owner elects not to participate in the Well.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
Phone: (505) 982-2043
Cell: (505) 660-6612
jamesbruc@aol.com

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company to compulsory pool additional interest owners under Order No. R-23287, Eddy County, New Mexico: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23287. The order pooled uncommitted mineral interest owners in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"). The following well is in the Unit: The Mockingbird 16/17 Fed. Com. Well No. 523H, with a first take point in the SE/4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17 (the "Well"). Also to be considered will be the cost of drilling, completing, testing, and equipping the Well, and the allocation of the cost thereof among the Well's working interest owners, approval actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Well in the event a working interest owner elects not to participate in the Well. The Unit is located approximately 9 miles southwest of Loco Hills, New Mexico.

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

APPLICATION OF MEWBOURNE OIL COMPANY
TO COMPULSORY POOL ADDITIONAL INTEREST
OWNERS UNDER ORDER NO. R-23287, EDDY
COUNTY, NEW MEXICO.

CASE NO. 25417

SELF-AFFIRMED STATEMENT OF ARIANA RODRIGUES

Ariana Rodrigues deposes and states:

1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted of record.
2. The following information is submitted in support of the compulsory pooling application filed herein pursuant to Division Rules.
3. The purpose of this application is to force pool uncommitted working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
4. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests to the well.
5. In this application Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Mockingbird 16/17 Fed. Com. Well No. 523H, with a first take point in the SE/4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17.
6. There is no depth severance in the Bone Spring formation.
7. This land was pooled by Order No. R-23287, entered in Case No. 24147, attached as Exhibit 2-A.
8. Since the case was heard in 2024, additional working interest owners have been located. A land plat, summary of leases, and the additional working interest owners to be pooled are set forth in Exhibit 2-B.

EXHIBIT

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9. A sample copy of the proposal letter sent to the additional interest owners and a summary of communications are attached as Exhibit 2-C.

10. To locate the interest owners Mewbourne searched the county and federal records, and did Accurint and Google searches, as well as using other online services. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the uncommitted working interest owners in the proposed well.

11. Well costs, overhead rates, and designation of Mewbourne as operator were approved by Order No. R-23287. Mewbourne requests that the additional interest owners be joined in the subject well subject to the existing order.

12. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.

13. The attachments to this affidavit were prepared by me, or compiled from company business records.

14. The granting of this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 14 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

7/1/2025
Date


Ariana Rodriguez

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

IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBOURNE OIL COMPANY

CASE NO. 24147
ORDER NO. R-23287

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 13, 2023, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

EXHIBIT

2A

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

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23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
24. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
25. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
26. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
27. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
28. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
29. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include

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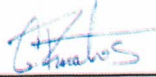
the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
31. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
32. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
33. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
34. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
35. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
36. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
37. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

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STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Date: 8/14/2024

GERASIMOS RAZATOS
DIRECTOR (Acting)
GR/hat

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Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 24147	APPLICANT'S RESPONSE
Date: June 13, 2024	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico
EXHIBIT 1	
Entries of Appearance/Intervenor:	MRC Permian Company/Holland & Hart LLP
Well Family	Mockingbird Bone Spring Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code (Only if NSP is requested):	
Well Location Setback Rules (Only if NSP is Requested):	
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	40 acres
Orientation:	East-West

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Received by: E.D.: 6/6/2024 12:06:59 PM E.D. (Eddy County)	S/2N/2 §16 and S/2NE/4 §17, Township 18N, Range 29 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), if No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N, if yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-A
Well(s) Name & API (if assigned), surface and bottom hole location, footages, completion target, or entation, completion status (standard or non-standard)	Add wells as needed
Well #1	Mockingbird 16/17 Fed. Com. Well No. 523H

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Horizontal Well First and Last Take Points	1980 feet FNL and 100 feet FEL \$16 1980 feet FNL and 2536 feet FEL \$17
Completion Target (Formation, TVD and MD)	Second Bone Spring Sand TVD 7543 feet, MVD 15435 feet
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10000
Production Supervision/Month \$	\$1000
Justification for Supervision Costs	Exhibit 2
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 6
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5

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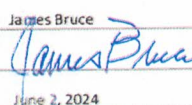
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	Exhibit 2-B
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	
Pooled Parties (including ownership type)	Exhibit 2-B/Working Interest
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	No severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 2-A

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Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	Exhibit 3
Target Formation	Second Bone Spring Sand
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion Forms, Figures and Tables	N/A
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-B
Cross Section (including Landing Zone) Additional Information	Exhibit 3-B
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	June 2, 2024

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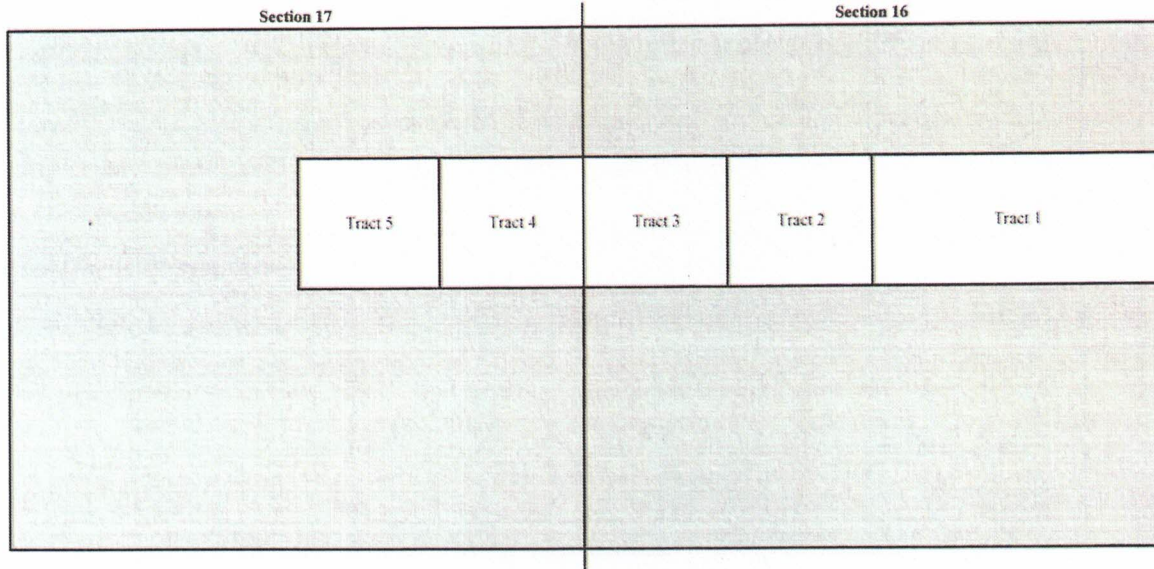
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Section Plat
Mockingbird 16/17 Fed Com #523H
S2N2 of Section 16 & S2NE4 of Section 17

T18S, R29E, Eddy County, New Mexico

T18S, R29E, Eddy County, New Mexico



RECAPITULATION

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	33.333333%
2	40.00	16.666667%
3	40.00	16.666667%
4	40.00	16.666667%
5	40.00	16.666667%
TOTAL	240.00	100.000000%

Revised
EXHIBIT **2 13**

TRACT OWNERSHIP
Mockingbird 16/17 Fed Com #523H
S2N2 of Section 16 & S2NE4 of Section 17
T18S, R29E, Eddy County, New Mexico

Ownership by Tract

Tract 1: S2NE of Section 16 - State Lease B0-6570-28

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	42.000000%	80.00	33.600000000
OXY USA WTP, LP	48.000000%	80.00	38.400000000
Ellipsis Oil & Gas Inc.	10.000000%	80.00	8.000000000
Total	100.00000000%		80.000000000

Tract 2: SENW of Section 16 - State Lease B-4918-107

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	77.100000%	40.00	30.840000000
Chi Energy, Inc.	7.650000%	40.00	3.060000000
H.R. Stasney & Sons, Ltd.	14.250000%	40.00	5.700000000
Jami Huber Owen (previously pooled)	1.000000%	40.00	0.400000000
Total	100.00000000%		40.000000000

Tract 3: SWNW of Section 16 - State Lease OG-5359-2

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	45.675000%	40.00	18.270000000
Chi Energy, Inc.	3.825000%	40.00	1.530000000
Jami Huber Owen (previously pooled)	0.500000%	40.00	0.200000000
Jo Ann Sivley Ruppert Trust	25.000000%	40.00	10.000000000
Thomas Ray Sivley Trust	25.000000%	40.00	10.000000000
Total	100.00000000%		40.000000000

Tract 4: SENE of Section 17 - Federal Lease NMNM 056429

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	47.286161%	40.00	18.914464400
MRC Delaware Resources, LLC	52.713839%	40.00	21.085535600
Total	100.00000000%		40.000000000

Tract 5: SWNE of Section 17 - Federal Lease NMLC 058127

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	100.000000%	40.00	40.000000000
Total	100.00000000%		40.000000000

Spacing Unit Ownership

	Percentage	
Mewbourne Oil Company	59.010194%	141.624464
OXY USA WTP, LP	16.000000%	38.400000
MRC Delaware Resources, LLC	8.785640%	21.085536
Ellipsis Oil & Gas Inc.	3.333333%	8.000000
Chi Energy, Inc.	1.912500%	4.590000
H.R. Stasney & Sons, Ltd.	2.375000%	5.700000
Jami Huber Owen	0.250000%	0.600000
Jo Ann Sivley Ruppert Trust	4.166667%	10.000000
Thomas Ray Sivley Trust	4.166667%	10.000000
Total	100.000000%	240.000000000

*Parties highlighted in red are being pooled

MEWBOURNE OIL COMPANY

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

January 24, 2024

Certified Mail

Thomas Ray Sivley Trust and the JoAnn Sivley Ruppert Trust

Re: Mockingbird 16/17 Working Interest Unit and Well Proposals
All of Section 16 & E/2 of Section 17, T18S, R29E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a working interest unit comprising of All of Section 16 & the E/2 of Section 17, T18S, R29E, Eddy County, New Mexico. As part of the initial development of this unit, MOC hereby proposes the following wells targeting the Bone Spring formation:

- 1) MOCKINGBIRD 16/17 FED COM #521H – API # - pending
Surface Location: 1720 FNL & 205 FWL, Section 15, T18S, R29E
Bottom Hole Location: 660 FNL & 2529 FEL, Section 17, T18S, R29E
Proposed Total Vertical Depth: 7,513'
Proposed Total Measured Depth: 15,429'
- 2) MOCKINGBIRD 16/17 FED COM #523H – API # - pending
Surface Location: 1740 FNL & 205 FWL, Section 15, T18S, R29E
Bottom Hole Location: 1980 FNL & 2536 FEL, Section 17, T18S, R29E
Proposed Total Vertical Depth: 7,543'
Proposed Total Measured Depth: 15,435'
- 3) MOCKINGBIRD 16/17 FED COM #526H – API # - pending
Surface Location: 1180 FSL & 330 FWL, Section 15, T18S, R29E
Bottom Hole Location: 1980 FSL & 2540 FEL, Section 17, T18S, R29E
Proposed Total Vertical Depth: 7,711'
Proposed Total Measured Depth: 15,637'
- 4) MOCKINGBIRD 16/17 FED COM #528H – API # - pending
Surface Location: 1140 FSL & 330 FWL, Section 15, T18S, R29E
Bottom Hole Location: 660 FSL & 2540 FEL, Section 17, T18S, R29E
Proposed Total Vertical Depth: 7,744'
Proposed Total Measured Depth: 15,685'

Regarding the above, enclosed for your further handling is our Operating Agreement dated December 1, 2023, along with an extra set of signature pages and our AFEs dated a November 14, 2023 and November 16, 2023 for the captioned proposed wells.

In the event you and/or your firm elects to participate in the proposed wells, please execute the enclosed extra set of JOA signature/notary pages and the AFEs before mailing them back to my attention to the address on the letterhead above within thirty (30) days.

Please contact me at (432) 682-3715 or arodrigues@mewbourne.com if you have any questions or need additional information.

Very truly yours,

MEWBOURNE OIL COMPANY

Ariana Rodrigues
Landman

EXHIBIT 2-C

MEWBORNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: MOCKINGBIRD 16/17 FED COM #523H		Prospect: ASPEN	
Location: SL: 1740 FNL & 205 FWL (15); BHL: 1980 FNL & 2536 FEL (17)		County: Eddy ST: NM	
Sec. 16/17	Blk: 	Survey: 	TWP: 18S RNG: 29E Prop. TVD: 7543 TMD: 15435

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$40,000	0180-0206	\$60,000
Daywork / Turnkey / Footage Drilling	25 days drlg / 3 days comp @ \$28000/d	0180-0110	\$747,600	0180-0210	\$89,700
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$177,000	0180-0214	\$175,000
Alternate Fuels		0180-0115		0180-0215	\$40,000
Mud. Chemical & Additives		0180-0120	\$40,000	0180-0220	
Mud - Specialized		0180-0121	\$260,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$150,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$150,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$34,000	0180-0230	\$224,000
Casing / Tubing / Snubbing Services		0180-0134	\$30,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$15,000		
Stimulation	37 Stg 14.9 MM gal / 14.9 MM lb			0180-0241	\$1,667,000
Stimulation Rentals & Other				0180-0242	\$186,000
Water & Other		0180-0145	\$40,000	0180-0245	\$323,000
Bits		0180-0148	\$96,100	0180-0248	
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$150,000		
Transportation		0180-0165	\$30,000	0180-0265	\$30,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision		0180-0170	\$159,600	0180-0270	\$50,000
Directional Services	Includes Vertical Control	0180-0175	\$418,000		
Equipment Rental		0180-0180	\$168,900	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,100	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$100,800	0180-0295	\$28,800
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$141,455	0180-0299	\$163,775
TOTAL			\$2,970,555		\$3,439,275

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	300' - 13 3/8" 54.5# J-55 ST&C @ \$47.92/ft	0181-0794	\$15,400		
Casing (8.1" - 10.0")	1350' - 9 5/8" 36# J-55 LT&C @ \$40.67/ft	0181-0795	\$58,600		
Casing (6.1" - 8.0")	7200' - 7" 29# HPP110 BT&C @ \$38.93/ft	0181-0796	\$299,400		
Casing (4.1" - 6.0")	8900' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$21.65/ft			0181-0797	\$205,800
Tubing	6950' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/ft			0181-0798	\$96,500
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift	ESP			0181-0880	\$80,000
Service Pumps				0181-0886	\$6,000
Storage Tanks	(1/6) TP/CP/Circ pump			0181-0890	\$90,000
Emissions Control Equipment	(1/6) (8)OT(6) WT/(2)GB			0181-0892	\$77,000
Separation / Treating Equipment	(1/6) (4)VRT/(2)VRU/(1)FLARE/(4)KO/(1)AIR			0181-0895	\$58,000
Automation Metering Equipment	(1/6) (1) BULK SEP/(3)TEST SEP/(2)V SEP/(3)VHT (1)HHT			0181-0898	\$41,000
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$8,000
Water Pipeline-Pipe/Valves & Misc	(1/6) 1 mile gas & water			0181-0901	\$17,000
On-site Valves/Fittings/Lines&Misc				0181-0906	\$84,000
Wellhead Flowlines - Construction				0181-0907	\$87,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$79,000
Equipment Installation	(1/6) 1.5 mile gas & water			0181-0910	\$59,000
Oil/Gas Pipeline - Construction				0181-0920	\$7,000
Water Pipeline - Construction				0181-0921	\$15,000
TOTAL			\$408,400		\$1,115,300
SUBTOTAL			\$3,378,955		\$4,554,575
TOTAL WELL COST			\$7,933,530		

Extra Expense Insurance

☐ I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐ I elect to purchase my own well control insurance policy.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Prepared by: T. Cude	Date: 11/16/2023
Company Approval: _____	Date: _____
Joint Owner Interest: _____ Amount: _____	Signature: _____
Joint Owner Name: _____	

Summary of Communications
Mockingbird 16/17 Fed Com #523H
S2N2 of Section 16 & S2NE4 of Section 17
T18S, R29E, Eddy County, New Mexico

Jo Ann Sivlev Ruppert Trust:

12/12/2023: Correspondence with above listed party regarding Working Interest.
1/2/2024: Correspondence with above listed party regarding Working Interest.
1/9/2024: Correspondence with above listed party regarding Working Interest.
1/25/2024: Emailed and Mailed Working Interest Unit and Well Proposal to the above listed party.
1/31/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
2/27/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
3/2024: Phone call with above listed party regarding Working Interest Unit and Well Proposal.
4/2/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
4/23/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
8/5/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
8/6/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
8/26/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
10/16/2024: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
1/9/2025: Phone call and correspondence with above listed party regarding Working Interest Unit and Well Proposal.
2/17/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
2/21/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
2/26/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
3/3/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
3/18/2025: Voicemail and Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
3/27/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
4/9/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
4/22/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
4/29/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
5/13/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
6/17/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.
6/24/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

Thomas Rav Sivlev Trust:

12/12/2023: Correspondence with above listed party regarding Working Interest.
1/2/2024: Correspondence with above listed party regarding Working Interest.
1/9/2024: Correspondence with above listed party regarding Working Interest.
1/25/2024: Emailed and Mailed Working Interest Unit and Well Proposal to the above listed party.
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6/24/2025: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

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

**APPLICATION OF MEWBOURNE OIL COMPANY
TO POOL ADDITIONAL INTERESTS UNDER ORDER
NO. R-23287, EDDY COUNTY, NEW MEXICO.**

CASE NO. 25417

SELF-AFFIRMED STATEMENT Of NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company ("Mewbourne").
3. Mewbourne has conducted a good faith, diligent effort to determine the names and current addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their last known addresses, by Federal Express. Copies of the notice letter and proof of delivery by Federal Express are attached hereto as Exhibit 3-A.
5. Mewbourne has complied with the notice provisions of Division Rules.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in Paragraphs 1 through 5 is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

7/2/25
Date

James Bruce
James Bruce

EXHIBIT

3

JAMES BRUCE
Attorney at Law

Post Office Box 1056
Santa Fe, New Mexico 87504

369 Montezuma Avenue, No. 213
Santa Fe, New Mexico 87501

Phone: (505-982-2043
Cell: (505) 660-6612

jamesbruc@aol.com

June 2, 2025

Via Federal Express

Shelmar E & P NM LP
Suite 200
407 North Big Spring
Midland, TX 79701

Jo Ann Sivley Ruppert Trust and
Thomas Ray Sivley Trust
Attn: Melissa A. Rickman
Suite 150
2100 South Utica Avenue
Tulsa, OK 74114

EXHIBIT

3-A

Ladies and Gentlemen:

Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division requesting compulsory pooling, as follows:

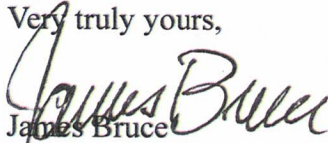
Case No. 25417: ***Application of Mewbourne Oil Company to compulsory pool additional interest owners under Order No. R-23287, Eddy County, New Mexico***: Mewbourne Oil Company requests the Division to enter an order pooling additional uncommitted mineral interest owners under Order No. R-23287. The order pooled uncommitted mineral interest owners in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2N/2 of Section 16 and the S/2NE/4 of Section 17, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"). The following well is in the Unit: The Mockingbird 16/17 Fed. Com. Well No. 523H, with a first take point in the SE/4NE/4 of Section 16 and a last take point in the SW/4NE/4 of Section 17 (the "Well").

Also to be considered will be the cost of drilling, completing, testing, and equipping the Well, and the allocation of the cost thereof among the Well's working interest owners, designation of

Applicant as operator of the Well and the Unit, approval of actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the Well in the event a working interest owner elects not to participate in the Well.

This matter is scheduled for hearing at 9:00 a.m. on Thursday, July 10, 2025. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or (b) via the Division's virtual meeting platform. To view the hearing docket and determine how to participate in an electronic hearing, go to <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz at Freya.Tschantz@emnrd.nm.gov. You are not required to attend the hearing, but an owner of an interest affected by the application may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required to file a Pre-Hearing Statement with the Division no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.state.nm.gov and should include: The name of the party and the party's attorney; a concise statement of the case; the names of witnesses the party will call to testify at the hearing; the approximate time it will take the party to present its case; and any procedural matters that need to be resolved before the hearing. The Pre-Hearing Statement must also be provided to applicant's attorney, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504.

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company



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June 16, 2025

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Status:	Delivered	Delivered To:	Shipping/Receiving
Signed for by:	BBAILEY	Delivery Location:	
Service type:	FedEx 2Day		
Special Handling:	Deliver Weekday; Direct Signature Required		OK,
		Delivery date:	Jun 6, 2025 12:08

Shipping Information:

Tracking number:	881710269909	Ship Date:	Jun 4, 2025
		Weight:	
Recipient:		Shipper:	
OK, US,			

FedEx Express proof-of-delivery details appear below; however, no signature is currently available for this shipment. Please check again later for a signature.

Thank you for choosing FedEx

Package Delivery Notification

From: PAK MAIL 0064 (mailserver@notify.postalmate.net)

To: jamesbruc@aol.com

Cc: pakmail064@gmail.com

Date: Friday, June 6, 2025 at 11:36 AM MDT

FedEx Delivery Notification

Package Information

Shipped to: JO ANN SILVEEY RUPPERT TRUST AND THOMAS RAY SIVLEY
ATTN: MELISSA A. RICKMAN
2100 S UTICA AVE STE 150
TULSA, OK, 74114-1418

Tracking #: [881710269909](#)

Date/time: 6/6/2025 10:08:00 AM

Recipient:

Notes: