#### **CASE NO. 25573**

### APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPILSORY POOLING, EDDY COUNTY, NEW MEXICO

#### EXHIBIT LIST (Second Revision)

- A. Pooling Checklist (Revised)
- B. Landman's Affidavit (Revised)
  - 2-A: Land Plats (Revised)
  - 2-B: Ownership List (Revised)
  - 2-C: Proposal Letter and AFEs
- C. Geologist's Affidavit
  - 3-A: General Locator Map
  - 3-B: Structure Map
  - 3-C: Cross Section
- 4. Affidavit of Certified Mailing
  - 4-A: Notice Letter and Receipts (Revised)
  - 4-B: Certified Notice Spreadsheet (Revised)
- 5. Affidavit of Publication (Revised)
- 6. Application and Proposed Notice

#### **CASE NO. 25573**

### APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPILSORY POOLING, EDDY COUNTY, NEW MEXICO

Statement of Changes to (Second Revised) Exhibits

Exhibit 1 (the pooling checklist) was changed on page 1 to include the correct pool name and pool code.

Exhibit 2 (the landman's affidavit) was corrected in paragraph 4 to reflect that the Bone Spring formation (rather then the Wolfcamp) has no depth severance. Also, paragraph 5 was changed to discuss the complex ownership of lands in the well unit.

Exhibit 2-A was revised to include three plats on the breakdown of ownership discussed in paragraph 5 of the landman's affidavit

Exhibit 2-B (the Ownership Lis) was revised to include all working interest owners, and a tract plat was included.

Exhibit 4-A adds returned green cards or returned letters. Exhibit 4-B (the Certified Notice Spreadsheet) is new.

Exhibit 5 (the affidavit of publication) was added.

Page 3 of 40

## CONPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICA	ATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS				
Case:	25573				
Date:	9/11/2025				
Applicant	Mewbourne Oil Company				
Designated Operator & OGRID					
(affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744				
Applicant's Counsel:	James Bruce				
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico				
Entries of Appearance/Intervenors:					
Well Family	Sandlot 9-8 Fee 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:	Esperanza; Bone Spring/Pool Code 97755				
Well Location Setback Rules:	Statewide rules and current horizontal well rules				
Spacing Unit Size:	Quarter-quarter sections/40 acres				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320 acres				
Building Blocks:	40 acres				
Orientation:	East-West				
Description: TRS/County	S/2S/2 §9 and S/2S/2 §8-22S-27E, NMPM, Eddy County				
Standard Horizontal Well Spacing Unit	Yes				
(Y/N), If No, describe	Rodised				
Other Situations					
Depth Severance: Y/N. If yes, description	No EXHIBIT				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description					
Applicant's Ownership in Each Tract	Exhibit 2-B				
Well(s)					
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Sandlot 9-8 Fee #527H API 30-015-Pending SHL: 1315 FSL & 325 FWL adjoining §10 BHL: 700 FSL & 100 FWL §8 FTP: 700 FSL & 100 FEL §9 LTP: 700 FSL & 100 FWL §8 Second Bone Spring/TVD 7285 feet/MD 17900 feet				

Received by OCD: 11/2/2025 2:53:27 PM	Sandlot 9-8 Fee #557H  API 30-015-Pending  SHL: 1355 FSL & 325 FWL adjoining §10  BHL: 1300 FSL & 100 FWL §8  FTP: 1300 FSL & 100 FEL §9  LTP: 1300 FSL & 100 FWL §8  Third Bone Spring/TVD 7908 feet/MD 18500 feet	Page 4 of 4
Horizontal Well First and Last Take Points	See above	-
Completion Target (Formation, TVD and MD)	See above	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$10000	
Production Supervision/Month \$	\$1000	
Justification for Supervision Costs	Exhibit 2, page 2	
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2	
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	
Ownership Determination		
Land Ownership Schematic of the		
Spacing Unit	Exhibit 2-A	
Tract List (including lease numbers and		
owners)	Exhibit 2-B	
Pooled Parties (including ownership		
type)	Exhibit 2-B	
Unlocatable Parties to be Pooled	Not applicable	
Ownership Depth Severance (including		
percentage above & below)	None	
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		
Overhead Rates In Proposal Letter  Cost Estimate to Drill and Complete	Exhibit 2-C	
Cost Estimate to Drill and Complete  Cost Estimate to Equip Well	Exhibit 2-C	
Cost Estimate to Equip Well  Cost Estimate for Production Facilities	Exhibit 2-C	
Geology	LAIIIDIL Z-C	
Summary (including special		
considerations)	Exhibit 3	
Spacing Unit Schematic	Exhibit 3 Exhibit 2-A	
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C	
Well Orientation (with rationale)	Laydown	

Thegeivebby QCDn 11/2/2025 2:53:27 PM	Bone Spring	Page 5 of 4
HSU Cross Section	Exhibit 3-C	
Depth Severance Discussion	Not Applicable	
Forms, Figures and Tables		
C-102	Exhibit 2-A	
Tracts	Exhibit 2-A	
Summary of Interests, Unit		
Recapitulation (Tracts)	Exhibit 2-B	
General Location Map (including basin)	Exhibit 3-A	2
Well Bore Location Map	Exhibit 2-A	-
Structure Contour Map - Subsea Depth	Exhibit 3-A	
Cross Section Location Map (including		
wells)	Exhibit 3-C	
Cross Section (including Landing Zone)	Exhibit 3-C	
Additional Information		
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):	- anes Olle	
Date:	9/4/2025	

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case No. 25573

#### VERIFIED STATEMENT OF CARSON CULLEN

Carson Cullen being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
- 2. The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
- 3. Mewbourne Oil Company ("Applicant") has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit to test the Bone Spring formation: The Sandlot 9/8 Well Nos. 527H and 557H, with first take points in the SE/4SE/4 of Section 9 and last take points in the SW/4SW/4 of Section 8.
  - 4. There are no depth severances in the Bone Spring formation.
- 5. Land plats are attached as Exhibit 2-A. The parties being pooled and their interests are set forth in Exhibit 2-B. Their current and correct addresses are also set forth. To locate the parties, we examined county and government records, and also conducted internet searches including Google and Drillinginfo. The following information is also submitted.
  - (a) The only BLM survey of the subject township is marked Exhibit 2-A-1. The plat does not break the subject land into subdivisions.
  - (b) The land in the well unit is fee land is near Carlsbad, and it is divided into a number of subdivisions, as follows:

EXHIBIT 2

W/2 of Section 8: 29 subdivisions E/2 of Section 8: 7 subdivisions S/2 of Section 9: 6 subdivisions

The subdivisions are further divided into small blocks and lots which were conveyed with the mineral estate. The interest owners being pooled are in Lot 11 of Block 6 of the Riverside Farms Subdivision, containing 1.08 acres, or 0.385727% of the well unit. A plat of Block 6 is attached as Exhibit 2-A-2, showing it has 19 lots.

(c) A final plat, attached as Exhibit 2-A-3, shows the approximate location of Lot 11 of **B**lock 6.

The net effect is that there are hundreds of lots in the well unit, and preparing a plat and lists of interest owners attributable to all lands is impractical and would not add any more information on the parties being pooled.

- 6. Exhibit 2-C contains the proposal letter sent to them. the interest owners.
- 7. Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
- 8. Exhibit 2-C also contains the Authorization for Expenditure for each proposed well. The estimated cost of the wells set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- 9. Mewbourne requests overhead and administrative rates of \$10000/month for a drilling well and \$1000/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 10. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
  - 11. Mewbourne requests that it be designated as operator of the subject wells.
- 12. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 13. 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 these cases. I affirm that my testimony in paragraphs 1 through 13 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.

Date

29/2025

Carson Cullen

C-102 Submit Electronically			Ene	ergy, Mi	State of Nonerals & Natur	ral Resources Department			Revised July 9, 2024			July 9, 2024
Submit Electronically Via OCD Permitting  OIL CONSERVATION DIVISION					V		Subm		☐ Initial Submittal			
									Type:		☐ Amended Re	port
											☐ As Drilled	
API Nı	h		D 10 1		WELL LOCA	TION INFORMATION	ON					
			Pool Code			Pool Name						
Propert			Property N		SA	ANDLOT 9/8	FEE			200,000		27H
OGRIL	No.		Operator N	lame	MEWB	OURNE OIL O	COMPA	NY		Grou	and Level Elevation	3082
Surface	Owner: 🗆	State □Fe	e □Tribal □F	Federal		Mineral Owner:	State	☐Fee ☐	Tribal	Fee	deral	0000
					Sur	face Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	e		Long	itude	County
M	10	22S	27E		1315 FS	L 325 FWL		03776	5°N	_	.1848815°W	EDDY
					Bottor	n Hole Location						2221
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	2		Long	itude	County
M	8	22S	27E		700 FSL	100 FWL	32.40	01994	7°N	104	.2198899°W	EDDY
Dedicat	ed Acres	Infill or D	efining Well	Definin	g Well API	Overlapping Spacing Unit (Y/N) Consolidation Code						
Order N	lumbers.					Well setbacks are under Common Ownership: ☐ Yes ☐ No						
					Kick (	Off Point (KOP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude			Longi	itude	County
							Zumace			Long	itude	County
					First T	ake Point (FTP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude			Longi	tude	County
		l			Last T	ake Point (LTP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude			Longi	tude	County
M	8	22S	27E		700 FSL		32.40	19947			2198899°W	EDDY
**												
Unitized	l Area or Ar	ea of Unifo	rm Interest	Spacing	Unit Type Hor	rizontal		Ground I	Floor E	levatio	on:	
OPER.	ATOR CER	ΓΙΓΙCΑΤΙΟ	NS			SURVEYOR CER	TIFICATI	IONS				
my knowl	edge and belie	f, and, if the	ontained herein is t well is a vertical or	directional	well that this	I hereby certify that th surveys made by me u my belief.	e well locat nder my sup	tion shown o	n this p	lat was	plotted from field not e is true and correct to	es of actual
including	the proposed	bottom hole lo	terest or unleased i cation or has a righ	ht to drill thi	s well at this	my belief.	/	SEK	ME	24		
interest, o	or to a volunta	ontract with a ry pooling agr	n owner of a working eement or a compu	ng interest o lsory pooling	r unleased mineral g order heretofore		15	DI SIM	ME	3/	اذ	
	y the division.						10	(19	9680		~	
consent o	f at least one l	essee or owne	er certify that this o r of a working inter	est or unleas	sed mineral interest		\8	1			<u>\$</u> /	
in each tract (in the target pool or formatic interval will be located or obtained a comp			mation) in which an compulsory pooling	y part of the order from	e well's completed the division.		/	Tigo.		RY	4/	
-								ESSION	ALS			
Signature			Date			Signature and Seal of Profe	essional Surve	eyor				-
P						Robert M	1. HO	well				
Printed Nar	ne					Certificate Number	Date	of Survey				
Email Addr	ess					19680	5		04/09/2024			

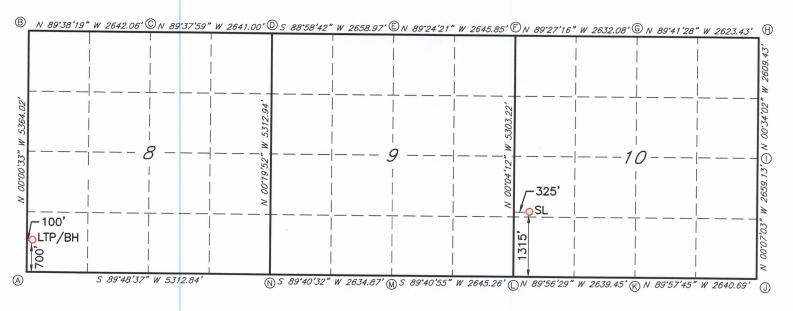
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

#### 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.

#### SANDLOT 9/8 FEE #527H



GEODETIC DATA NAD 83 GRID — NM EAST

<u>SURFACE LOCATION (SL)</u> 1315' FSL — 325' FWL SEC.10 N: 510657.0 — E: 587153.0

LAT: 32.4037765\* N LONG: 104.1848815\* W

LAST TAKE POINT/BOTTOM HOLE (LTP/BH)
700' FSL - 100' FWL SEC.8
N: 509995.6 - E: 576349.3

LAT: 32.4019947° N LONG: 104.2198899° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND 1/2" REBAR N: 509295.4 - E: 576249.5

B: FOUND 1" PIPE

N: 514658.2 - E: 576248.6

C: FOUND 1" IRON PIPE N: 514641.5 - E: 578890.0

D: FOUND 1" IRON PIPE

N: 514624.6 - E: 581530.3

E: FOUND 2" IRON PIPE

N: 514672.0 - E: 584188.3

F: FOUND 1/2" REBAR N: 514644.6 - E: 586833.4

G: FOUND 1/2" REBAR N: 514619.5 - E: 589464.7

N: 514605.4 - E: 592087.5 I: FOUND 1/2" REBAR N: 511996.7 - E: 592113.3

H: FOUND 1/2" REBAR

J: FOUND ALUMINUM CAP

STAMPED "PE & PS 5412" N: 509338.2 - E: 592118.7

K: FOUND COTTON SPINDLE N: 509339.9 - E: 589478.7

L: FOUND COTTON SPINDLE N: 509342.6 - E: 586839.8

M: FOUND 1/2" REBAR N: 509327.9 - E: 584195.2

N: FOUND 1/2" REBAR N: 509313.0 - E: 581561.0

<u>C-10</u>	2		Ene	ergy, Mi	State of Nev	w Mexico al Resources Dep		Revised July 9, 2024			
	it Electronic			OIL CONSERVATION DIVISION						☐ Initial Submit	to1
Via OCD Permitting							Subn		☐ Amended Rep		
								Туре	:	☐ As Drilled	
					WELL LOCAT	TION INFORMATION	ON				
API Nı	umber		Pool Code		F	Pool Name					
	ty Code		Property N	lame	SA	NDLOT 9/8	FEE		Well	Number 58	57H
OGRIE	O No.		Operator N	Jame	MEWBO	URNE OIL C	OMPANY		Grou	and Level Elevation	3082'
Surface	e Owner: 🔲	State Fee	e □Tribal □F	ederal		Mineral Owner:		Tribal	□Fe	deral	0000
					Surf	ace Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
L	10	225	27E		1355 FSL		32.40388	364°N		.1848814°W	EDDY
						Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
M	8	22S	27E		1300 FSL	100 FWL	32.40364	136°N	104	.2198881°W	EDDY
Dedica	ted Acres	Infill or D	Defining Well	Definin	ng Well API	Overlapping Spa	cing Unit (Y/N)	Consoli	dation	Code	
Order N	Numbers.					Well setbacks are under Common Ownership: ☐ Yes ☐ No					
					Kick O	ff Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
					First Ta	ke Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
		1			Last Ta	ke Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Long	gitude	County
M	8	22S	27E		1300 FSL	100 FWL	32.40364	136°N	104	.2198881°W	EDDY
Unitize	ed Area or A	rea of Unifo	orm Interest	Spacing	g Unit Type 🗖 Hori	izontal	Grou	ınd Floor	Elevat	ion:	9
OPER	ATOR CER	TIFICATIO	ONS			SURVEYOR CER	TIFICATIONS				
				true and cor	mplete to the best of			era on Inis	nlat wa	as plotted from field no	tes of actual
my know	vledge and beli	ef, and , if the	well is a vertical or nterest or unleased	r directional	well, that this	surveys made by me u my belief.	nder my super isi	( a) Mha	the san	ne is true and correct to	to the best of
includin	g the proposed	bottom hole l	ocation or has a rig	ght to drill th		my beneg.	100	EN ME		m)	
interest,		ary pooling ag			ng order heretofore		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		18	171	
	•		her certify that this	organizatio.	n has received the	100	(3)	19680	יי (יי	) <u>e</u>	
consent of at least one lessee or owner o		er of a working inte	of a working interest or unleased mineral interest ation) in which any part of the well's completed								
interval	will be located	or obtained a	compulsory poolin	g order fron	n the division.		1.0%	ONAL	SUR	7	
Signature			Date			Signature and Seal of Pro-		,			
						Robert N	1. House	tt			
Printed N	ame					Certificate Number	Date of Sur	vey			
	-					19680			14./n	9/2024	
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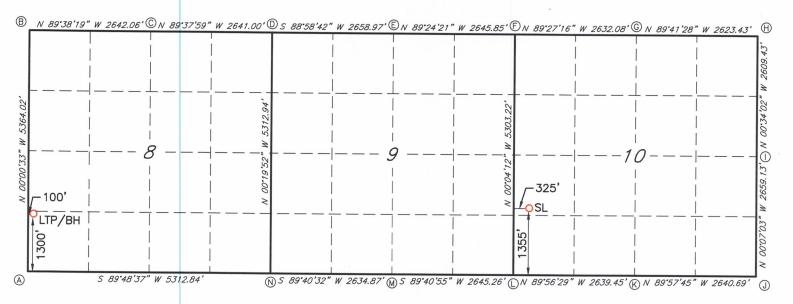
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

#### 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.

#### SANDLOT 9/8 FEE #557H



GEODETIC DATA NAD 83 GRID — NM EAST

SURFACE LOCATION (SL) 1355' FSL - 325' FWL SEC.10 N: 510697.0 - E: 587153.0

LAT: 32.4038864\* N LONG: 104.1848814\* W

LAST TAKE POINT/BOTTOM HOLE (LTP/BH) 1300' FSL - 100' FWL SEC.8 N: 510595.4 - E: 576349.2

> LAT: 32.4036436° N LONG: 104.2198881° W

CORNER DATA NAD 83 GRID — NM EAST

A: FOUND 1/2" REBAR N: 509295.4 - E: 576249.5

B: FOUND 1" PIPE N: 514658.2 - E: 576248.6

C: FOUND 1" IRON PIPE N: 514641.5 - E: 578890.0

D: FOUND 1" IRON PIPE N: 514624.6 - E: 581530.3

E: FOUND 2" IRON PIPE N: 514672.0 - E: 584188.3

F: FOUND 1/2" REBAR N: 514644.6 - E: 586833.4

G: FOUND 1/2" REBAR N: 514619.5 - E: 589464.7 H: FOUND 1/2" REBAR N: 514605.4 - E: 592087.5

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K: FOUND COTTON SPINDLE

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M: FOUND 1/2" REBAR N: 509327.9 - E: 584195.2

N: FOUND 1/2" REBAR N: 509313.0 - E: 581561.0

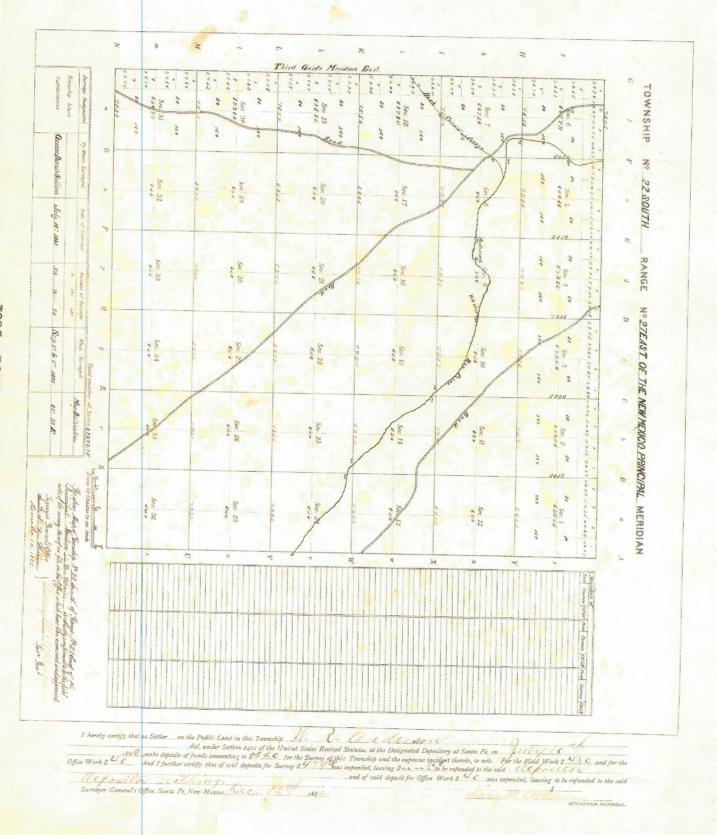
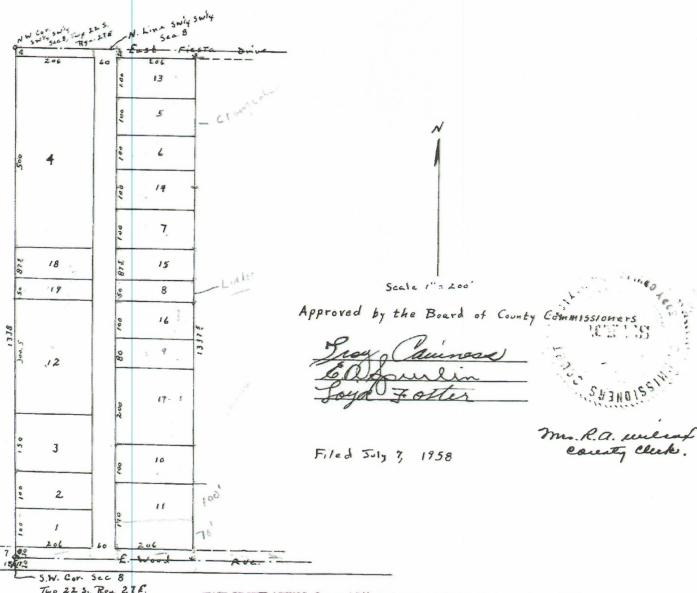


EXHIBIT 2-A-1

Assessors Plat

Second Amended Plat of Block 6 Riverside Farms

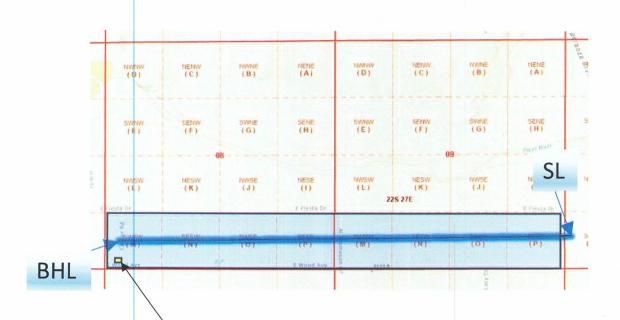


Tup 22 s, Rg= 27 E.

STATE OF NEW MEXICO, County of Eddy, ss. I hereby certify that this instrument was filed for record on of the Records of (Mapa) assessers

EXHIBIT 2.A.2

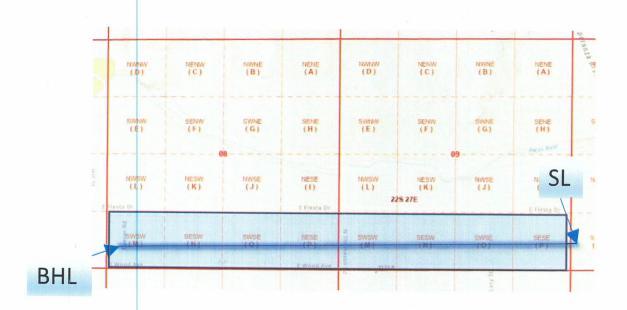
# Sandlot 9/8 FEE #527H Sections 8 (S/2S/2) & 9 (S/2S/2), T22S, R27E EDDY COUNTY, NM



Lot 11, Block 6 Riverside Farms, Contains 1.08 acres, more or less.

ехнівіт 2·**A**· 3

# Sandlot 9/8 FEE #557H Sections 8 (S/2S/2) & 9 (S/2S/2), T22S, R27E EDDY COUNTY, NM



**EXHIBIT** A

#### **EXHIBIT C**

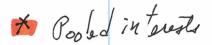
# TRACT OWNERSHIP SANDLOT 9/8 FEE #527H SANDLOT 9/8 FEE #557H S/2S/2 & S/2S/2 of Sections 9 & 8, T22S, R27E EDDY COUNTY, NM

#### S/2S/2 & S/2S/2 of Sections 9 & 8, T22S, R27E: Bone Spring formation:

% Leasehold Interest

Mewbourne Oil Company	54.546221%
COG Operating, LLC	19.638827%
Red River Energy Partners II, LLC	16.544376%
Red River Energy Partners, LLC	3.703085%
Gosier Energy, LLC	1.171190%
Featherstone Development Corporation	1.041667%
Concho Oil & Gas, LLC	1.033623%
Sharbro Energy, Ltd.	0.296743%
DJS Trust	0.250063%
Latham Energy, LLC	0.221576%
Pozo Rico Partners, Ltd.	0.194589%
Williamson Enterprises	0.150038%
Osprey Oil & Gas IV, LLC	0.145949%
Mule Creek Investments, LLC	0.109462%
GTV Resources Development, LLC	0.109462%
Yates Industries, LLC	0.098914%
Tex-Ok Limited Partnership	0.098779%
Cody Energy, Inc.	0.098779%
Milestone Resources, LLC	0.066686%
Ruth D. Roberts	0.046419%
Tumbler Operating Partners, LLC	0.046419%
Tailfeather Energy, LLC	0.001406%
Wesley Keith Roberts	0.164271%
Randall Wray Jenkins Jr.	0.110728%
Jean Millman	0.055364%
John Millman	0.055364%
Total	100.000000%





Revise 1 EXHIBIT 2-B

V		
Wesley Keith Roberts 418 Forest Hills Drive League City, Texas 77573	0.164271%	
Randall Wray Jenkins Jr. 1418 W Orchad Lane Carlsbad NM 88220-4145	0.110728%	
Jean Millman 1104 Irvin St. Carlsbad NM 88220-4319	0.055364%	
John Millman 114 Bell Ave., Apt. 4 Amarillo, Texas	0.055364%	

\*Total interest being pooled: 0.385727%

#### MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715 Fax (432) 685-4170

June 3, 2025

Via: Certified Mail

Randall Wray Jenkins Jr. 1418 W Orchad Lane Carlsbad NM 88220-4145

Re:

Proposed Horizontal Wells

Sandlot 9/8 Fee #527H Sandlot 9/8 Fee #557H Sections 8 & 9, T22S-R27E, Eddy County, New Mexico

Dear Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes drilling the following wells under the August 1, 2023 Joint Operating Agreement covering the above captioned acreage:

- 1. Sandlot 9/8 Fee #527H located at a surface location 1105' FSL & 355' FWL of Section 10, with a bottom hole location 700' FSL & 100' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 7285' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 17900'.
- 2. Sandlot 9/8 Fee #557H located at a surface location 1455' FSL & 355' FWL of Section 10, with a bottom hole location 1300' FSL & 100' FWL of Section 8. We anticipate drilling to an approximate total vertical depth of 7908' and plan to continue drilling horizontally to the west to the proposed bottom hole location at an approximate total measured depth of 18500'.

Regarding the above, enclosed for your further handling and information are copies of our Authorization For Expenditure ("AFEs") for the above wells.

Please indicate your participation election by having each AFE executed and returned to my attention at the above address within thirty (30) days of receipt hereof.

Feel free to contact me at (432) 682-3715 or via email at <u>ccullen@mewbourne.com</u> if you have any questions or concerns. I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY

Carson 1. Callen

Carson Cullen Landman EXHIBIT 2.C

#### MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: SANDLOT 9/8 FEE #527H (B2PM)	The state of the s		DLOT	Market Market Commission					
Location: SL: 1105 FSL & 355 FWL (10); BHL: 700 FSL & 100 FWL		County: Edd	THE REAL PROPERTY.		ST: NM				
Sec. 10 Blk: Survey:	TWP: 22S	RNG: 2	7E Prop. TVI	D: 7285	TMD: 17900				
INTANGIBLE COSTS 0180		CODE	TCP	CODE	сс				
Regulatory Permits & Surveys Location / Road / Site / Preparation		0180-0100 0180-0105		0180-0200	\$2F.0				
Location / Restoration		0180-0105	\$35,000	0180-0205 0180-0206	\$35,00 \$60,00				
Daywork / Turnkey / Footage Drilling 14 days drlg @ \$26000/d		0180-0110		0180-0208	\$60,00				
Fuel 1700 gal/day @ \$3.9/gal	- 137 137 1	0180-0114		0180-0214	\$55,0				
Alternate Fuels		0180-0115		0180-0215	\$122,0				
Mud, Chemical & Additives		0180-0120	\$50,000 \$175,000						
Horizontal Drillout Services	Mud - Specialized 018								
Stimulation Toe Preparation				0180-0222 0180-0223	\$322,0				
Cementing		0180-0125	\$200,000		\$24,0				
Logging & Wireline Services		0180-0130	\$29,000		\$306,00				
Casing / Tubing / Snubbing Services		0180-0134	\$50,000						
Mud Logging		0180-0137	\$15,000						
Stimulation 51 Stg 20.2 MM gal / 20.2 M Stimulation Rentals & Other	/M lb			0180-0241	\$1,841,0				
Water & Other 100% PW @ \$0.25/bbl f/ CV	VMS	0180-0145	\$40,000	0180-0242 0180-0245	\$339,00				
Bits	VIVIO	0180-0148	\$53,400		\$129,00 \$5,00				
Inspection & Repair Services		0180-0150	\$50,000		\$5,00				
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,00				
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,00				
Completion / Workover Rig				0180-0260	\$10,50				
Rig Mobilization Transportation		0180-0164	\$113,000						
Welding, Construction & Maint, Services		0180-0165 0180-0168	\$30,000 \$4,000	0180-0265	\$60,00				
Contract Services & Supervision		0180-0168		0180-0268 0180-0270	\$16,50 \$43,00				
Directional Services Includes Vertical Control		0180-0170	\$350,000	3100-0270	ф <del>4</del> 3,00				
Equipment Rental		0180-0180		0180-0280	\$45,00				
Well / Lease Legal		0180-0184	\$5,000	0180-0284					
Well / Lease Insurance		0180-0185	\$4,600						
Intangible Supplies Damages		0180-0188		0180-0288	\$1,00				
Pipeline Interconnect, ROW Easements		0180-0190	\$10,000	0180-0290 0180-0292	\$10,00				
Company Supervision		0180-0192	\$72,000	0180-0292	\$25,00 \$21,60				
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,00				
Contingencies 5% (TCP) 5% (CC)		0180-0199	\$113,200	0180-0299	\$176,50				
	TOTAL		\$2,377,000		\$3,706,10				
TANGIBLE COSTS 0181			X),						
Casing (19.1" – 30")		0181-0793							
Casing (10.1" – 19.0") 410' - 13 3/8" 54.5# J-55 ST&C @ \$42.9		0181-0794	\$18,800						
Casing (8.1" – 10.0") 1775' - 9 5/8" 40# HCL80 LT&C @ \$35. Casing (6.1" – 8.0") 6700' - 7" 29# HCP-110 LT&C @ \$30.1		0181-0795	\$66,600						
Casing (6.1" – 8,0") 6700' - 7" 29# HCP-110 LT&C @ \$30.17 Casing (4.1" – 6,0") 11400' - 4 1/2" 13.5# P-110 CDC-HTQ (		0181-0796	\$215,900	0404 0707	¢040.00				
Tubing 6450' - 3 1/2" 9.2# L-80 IPC Tbg @ \$15.				0181-0797 0181-0798	\$219,00 \$106,80				
Drilling Head		0181-0860	\$50,000	0101-0700	ψ100,00				
Tubing Head & Upper Section			44	0181-0870	\$30,00				
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$75,00				
Subsurface Equip. & Artificial Lift				0181-0880	\$25,00				
Service Pumps         (1/7) TP/CP/Circ pump           Storage Tanks         (1/7) (6)OT/(5)WT/(1)GB				0181-0886	\$8,00				
Storage Tanks         (1/7) (6)OT/(5)WT/(1)GB           Emissions Control Equipment         (1/7) (4)VRT/(2)VRU/(1)FLARE/(3)KO/(1)	I\ΔIR			0181-0890	\$55,00				
Separation / Treating Equipment (1/7) (1)BULK H SEP/(4)TEST H SEP/(5)				0181-0892 0181-0895	\$82,00 \$40.00				
Automation Metering Equipment	7			0181-0898	\$65,00				
Oil/Gas Pipeline-Pipe/Valves&Misc				0181-0900	\$24,00				
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$1,00				
On-site Valves/Fittings/Lines&Misc Wellhead Flowlines - Construction				0181-0906	\$86,00				
AAGIII GAG FIOWIII GS - CONSTRUCTION				0181-0907	\$72,00				
Cathodic Protection				0181-0908	\$110.00				
Cathodic Protection Electrical Installation				0181-0908 0181-0909					
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction				0181-0908 0181-0909 0181-0910	\$110,000 \$64,000 \$38,000				
Cathodic Protection Electrical Installation Equipment Installation				0181-0908 0181-0909					
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction	TOTAL		\$351.300	0181-0908 0181-0909 0181-0910 0181-0920	\$64,00 \$38,00 \$6,00				
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction	TOTAL		\$351,300 \$2,728,300	0181-0908 0181-0909 0181-0910 0181-0920	\$64,00 \$38,00 \$6,00 \$1,106,80				
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction	SUBTOTAL		\$2,728,300	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921	\$64,00 \$38,00 \$6,00				
Cathodic Protection  Electrical Installation  Equipment Installation  Oil/Gas Pipeline - Construction  Water Pipeline - Construction  TOTAL			\$2,728,300	0181-0908 0181-0909 0181-0910 0181-0920	\$64,00 \$38,00 \$6,00 \$1,106,80				
Cathodic Protection  Electrical Installation  Equipment Installation  Dil/Gas Pipeline - Construction  Water Pipeline - Construction  TOTAL  Insurance procured for the Joint Account by Operator  Opt-in I elect to be covered by Operator's Extra Expense, Common Policies, and will pay my proportionate share of the premiums assured in the properties of the premiums and the procuping I will be responsible for my own coverage and will not be the properties of the premiums as the properties of the	SUBTOTAL WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection ats to be covered by Ope	ements, or to sunder operator	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 stalla Insurance gs.				
Cathodic Protection Electrical Installation Electrical Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction  Water Pipeline - Construction  TOTAL  nsurance procured for the Joint Account by Operator  Opt-in . I elect to be covered by Operator's Extra Expense, Comm Policies, and will pay my proportionate share of the premiums ass  Opt-out. I elect to purchase my own policies for well control and recognize I will be responsible for my own coverage and will not be If neither box is checked above, non-operating working interest owner election.  Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the s	SUBTOTAL WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection ats to be covered by Ope	ements, or to sunder operator	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 stalla Insurance gs.				
Cathodic Protection Electrical Installation Electrical Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction  Water Pipeline - Construction  TOTAL  nsurance procured for the Joint Account by Operator  Opt-in . I elect to be covered by Operator's Extra Expense, Comm Policies, and will pay my proportionate share of the premiums ass  Opt-out. I elect to purchase my own policies for well control and recognize I will be responsible for my own coverage and will not be in the premium of the premiu	SUBTOTAL  WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection to tots to be covered by Ope pecified rate. Operator re	ements, or to si under operator' erator's insurance eserves the right i	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 stalla Insurance gs.				
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction  TOTAL Insurance procured for the Joint Account by Operator  Opt-in. I elect to be covered by Operator's Extra Expense, Common Policies, and will pay my proportionate share of the premiums as:  Opt-out. I elect to purchase my own policies for well control and recognize I will be responsible for my own coverage and will not be if neither box is checked above, non-operating working interest owner electrical point owner agrees that item 0180-0245 will be provided by operator, if available, at the sconditions.  Prepared by:  Ryan McDaniel	SUBTOTAL WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection ats to be covered by Ope	ements, or to si under operator' erator's insurance eserves the right i	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 stalla Insurance gs.				
Cathodic Protection Electrical Installation Electrical Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction  Water Pipeline - Construction  TOTAL  nsurance procured for the Joint Account by Operator  Opt-in . I elect to be covered by Operator's Extra Expense, Comm Policies, and will pay my proportionate share of the premiums ass  Opt-out. I elect to purchase my own policies for well control and recognize I will be responsible for my own coverage and will not be in the premium of the premiu	SUBTOTAL  WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection to tots to be covered by Ope pecified rate. Operator re	ements, or to si under operator' erator's insurance eserves the right i	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 substitution of the substitution of the substi				
Cathodic Protection Electrical Installation Equipment Installation Oil/Gas Pipeline - Construction Water Pipeline - Construction  TOTAL  Insurance procured for the Joint Account by Operator  Opt-in I elect to be covered by Operator's Extra Expense, Common Policies, and will pay my proportionate share of the premiums as:  Opt-out. I elect to purchase my own policies for well control and recognize I will be responsible for my own coverage and will not be if neither box is checked above, non-operating working interest owner electrical districtions.  Prepared by:  Ryan McDaniel	SUBTOTAL WELL COST  nercial General Liabilit sociated with these ins other insurance requir te afforded protection outs to be covered by Ope pecified rate. Operator re	ements, or to si under operator' erator's insurance eserves the right i	\$2,728,300 \$7,54 gal Liability, and E ges through joint alf-insure (if applies s policies.	0181-0908 0181-0909 0181-0910 0181-0920 0181-0921 11,200 0181-0921	\$64,00 \$38,00 \$6,00 \$1,106,80 \$4,812,90 substitution of the substitution of the substi				

#### MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:		SANDLOT 9/8 FEE #557H (H3PM)	Pro	spect: SA	NDLOT		
Location: SL	: 1145 FS	L & 355 FWL (10); BHL: 1300 FSL & 100 FWL	. (8)	ounty: Ed	dy		ST: NM
Sec. 10	Blk:	Survey:	TWP: 22S	RNG:	27E Prop. TVI	7908	TMD: 18500
		INTANGIBLE COSTS 0180		CODE	ТСР	CODE	сс
Regulatory Perr				0180-0100		0180-0200	
Location / Road		eparation		0180-0105		0180-0205	\$35,000
Daywork / Turn		ogo Drilling 17 doug data @ \$000004		0180-0106		0180-0206	\$60,000
Fuel	Key / 1 Oot	age Drilling 17 days drlg @ \$26000/d 1700 gal/day @ \$3.9/gal		0180-0110 0180-0114		0180-0210 0180-0214	\$68,000
Alternate Fuels		17 00 gairday @ \$0.5/gai		0180-0115		0180-0214	\$152,000
Mud, Chemical		s		0180-0120			ψ102,000
Mud - Specialize				0180-0121	\$185,000		
Horizontal Drillo						0180-0222	\$322,000
Stimulation Toe	Preparati	on				0180-0223	\$24,000
Cementing Logging & Wire	line Service	0.0		0180-0125 0180-0130	\$200,000	0180-0225	4074 000
Casing / Tubing				0180-0130	\$29,000		\$371,000
Mud Logging	7 61145611	9 00111000		0180-0137	\$15,000	0100-0234	
Stimulation		61 Stg 25.3 MM gal / 25.3 MM	M lb			0180-0241	\$2,317,000
Stimulation Ren	tals & Oth					0180-0242	\$395,000
Water & Other		100% PW @ \$0.25/bbl f/ CW	MS	0180-0145	\$40,000		\$161,000
Bits Inspection & Re	pair Sand	200		0180-0148	\$53,400		\$5,000
Misc. Air & Pum				0180-0150 0180-0154	\$50,000	0180-0250 0180-0254	\$5,000
Testing & Flowb				0180-0154	\$12,000	0180-0254	\$10,000 \$24,000
Completion / W				0100-0100	ψ12,000	0180-0260	\$10,500
Rig Mobilization				0180-0164	\$113,000	3200	3.0,000
Transportation				0180-0165	\$30,000	0180-0265	\$60,000
Welding, Consti				0180-0168		0180-0268	\$16,500
Contract Service Directional Serv				0180-0170	\$131,100	0180-0270	\$53,000
Equipment Rent		Includes Vertical Control		0180-0175	\$350,000	0400 0000	£45.000
Well / Lease Le				0180-0180 0180-0184	\$5,000	0180-0280 0180-0284	\$45,000
Well / Lease Ins			11 - 1 1 1 1 V - 1	0180-0185		0180-0285	
Intangible Supp	lies			0180-0188	\$25,000		\$1,000
Damages				0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interco		W Easements		0180-0192		0180-0292	\$25,000
Company Super				0180-0195	\$82,800	0180-0295	\$28,800
Overhead Fixed Contingencies	Rate	5% (TCP) 5% (CC)		0180-0196		0180-0296	\$20,000
Contingencies		3% (ICF) 3% (CC)	TOTAL	0180-0199	\$121,400 \$2,549,300	0180-0299	\$210,900 <b>\$4,429,700</b>
Casing (19.1" – Casing (10.1" –		TANGIBLE COSTS 0181 410' - 13 3/8" 54.5# J-55 ST&C @ \$42.93	3/ft	0181-0793 0181-0794	\$18,800		
Casing (8.1" - 1		1775' - 9 5/8" 40# HCL80 LT&C @ \$35.1		0181-0795	\$66,600		
Casing (6.1" - 8		7350' - 7" 29# HCP-110 LT&C @ \$30.17/		0181-0796	\$236,800		
Casing (4.1" – 6	.0")	11350' - 4 1/2" 13.5# P-110 CDC-HTQ @				0181-0797	\$218,100
Tubing Drilling Head		7100' - 3 1/2" 9.2# L-80 IPC Tbg @ \$15.5	5/ft		<b>AFO 000</b>	0181-0798	\$117,500
Tubing Head &	Inner Ser	tion		0181-0860	\$50,000	0181-0870	\$30,000
Horizontal Comp						0181-0871	\$75,000
Subsurface Equ						0181-0880	\$25,000
Service Pumps		(1/7) TP/CP/Circ pump				0181-0886	\$8,000
Storage Tanks		(1/7) (6)OT/(5)WT/(1)GB				0181-0890	\$55,000
Emissions Cont						0181-0892	\$82,000
Separation / Tre Automation Met			V SEP/(4)VHT/(1)HF	-		0181-0895	\$40,000
Oil/Gas Pipeline						0181-0898	\$65,000 \$24,000
Water Pipeline-F						0181-0901	\$1,000
On-site Valves/F	ittings/Lin	es&Misc				0181-0906	\$86,000
Wellhead Flowlin	nes - Cons					0181-0907	\$72,000
Cathodic Protec						0181-0908	
Electrical Installa Equipment Insta						0181-0909	\$110,000
Oil/Gas Pipeline		otion				0181-0910	\$64,000
Water Pipeline -				-		0181-0920 0181-0921	\$38,000 \$6,000
TTGLOT T IDOLING	Construc	ion				0101-0921	
			TOTAL		\$372,200		\$1,116,600
	Alan Carlo Car		SUBTOTAL		\$2,921,500		\$5,546,300
			WELL COST		\$8,4	67,800	
	Opt-in . I ele Policies, and Opt-out. I el Pocognize I v	int Account by Operator  ct to be covered by Operator's Extra Expense, Comm   will pay my proportionate share of the premiums assort ect to purchase my own policies for well control and o ill be responsible for my own coverage and will not be schecked above, non-operating working interest owner elect	ociated with these ins other insurance require a afforded protection	ements, or to under operate	ages through joint self-insure (if appl or's policies.	account billing	ngs.
Joint owner agree		0180-0245 will be provided by operator, if available, at the sp				lue to a change	e in market
conditions.							
Prepare	d by:	Ryan McDaniel	Date	4/29/202	5		
Company Appr	oval:	M. White	Date	4/29/2025	<u> </u>		
Joint Owner Int	terest:	Amount:			9		
Joint Owner In	_	Amount:	Signature:		1		
			COLUMN TO SERVICE DE LA COLUMN TO SERVICE DESTRUCTURA DE LA COLUMN TO SERVICE		THE RESERVE OF THE PERSON OF THE PERSON	ALCOHOLOGICA DE LA CONTRACTOR DE LA CONT	

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

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

**CASE NO. 25573** 

#### SELF-AFFIRMED STATEMENT OF TYLER HILL

- 1. My name is Tyler Hill. 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 3-A** is a general locator map.
- 5. **Mewbourne Exhibit 3-B** is a subsea structure map that I prepared for the Bone Spring. The contour intervals are 100 feet. The area comprising the proposed spacing unit is outlined in black with the approximate location and orientation of the initial well noted with a solid green line. 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.
- 6. Mewbourne Exhibit 3-B 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.

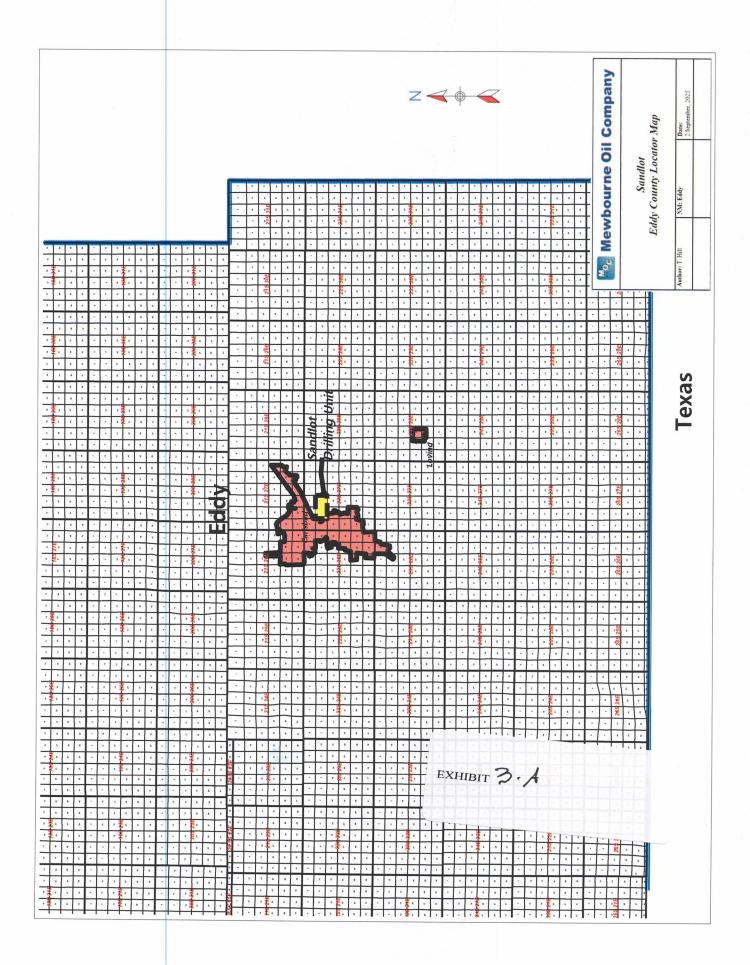
- 7. **Mewbourne Exhibit 3-C** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown in Mewbourne Exhibit D-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed well is marked on the cross-section with a solid red line. 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 3-A through 3-C** 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

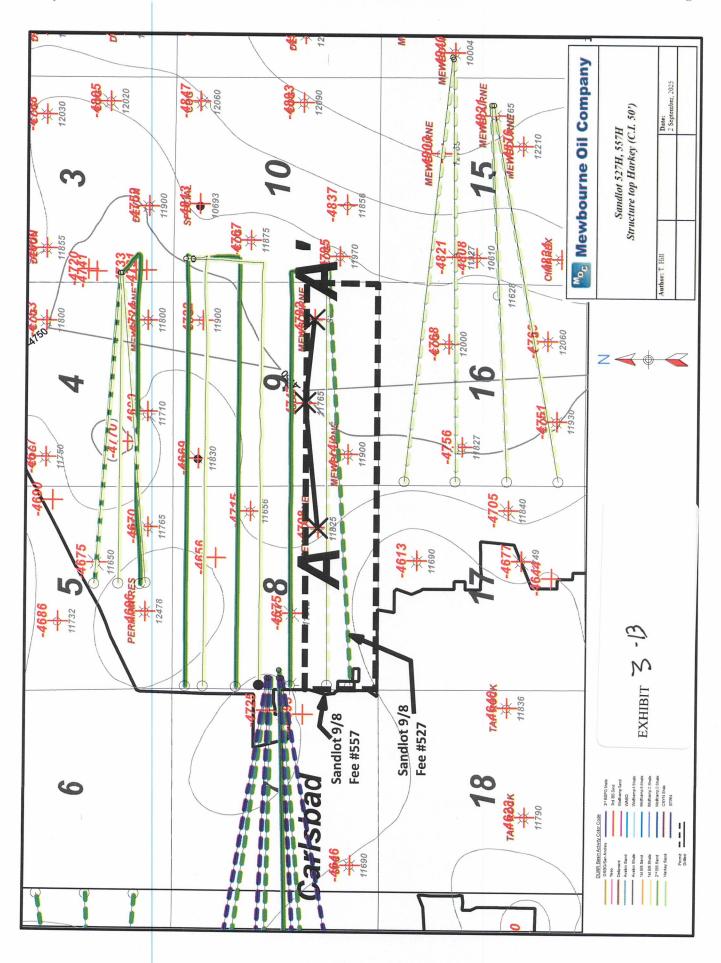
used as written testimony in this case. This statement is made on the date next to my signature below.

Tyler Hill

9/4/25

Date





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

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

**CASE NO. 25573** 

#### 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 applications filed herein.
- 4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified receipts are attached hereto as Exhibit 4-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.

Date

James Bruce

EXHIBIT 4

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

August 20, 2025

To Person Listed on Exhibit A

Ladies and Gentlemen:

Revised EXHIBIT A.A

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

Case No. 25573: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit to test the Bone Spring formation: The Sandlot 9/8 Well Nos. 527H and 557H, with first take points in the SE/4SE/4 of Section 9 and last take points in the SW/4SW/4 of Section 8.

Also to be considered will be the cost of drilling, completing, testing, and equipping the wells, and the allocation of the cost thereof among the wells' working interest owners, designation of Applicant as operator of the wells 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 wells in the event a working interest owner elects not to participate in the wells. The Unit is located approximately 3-1/2 miles northwest of Otis, New Mexico.

This matter is scheduled for hearing at 9:00 a.m. on Thursday, September 11, 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 <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a> or contact Freya Tschantz at <a href="https://www.emnrd.nm.gov">Freya.Tschantz@emnrd.nm.gov</a>. 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.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, at the above address..

Very truly yours.

James Bruce

Attorney for Mewbourne Oil Company

#### **EXHIBIT A**

Wesley Keith Roberts 418 Forest Hills Drive League City, Texas 77573

Randall Wray Jenkins Jr. 1418 W Orchard Lane Carlsbad New Mexico 88220-4145

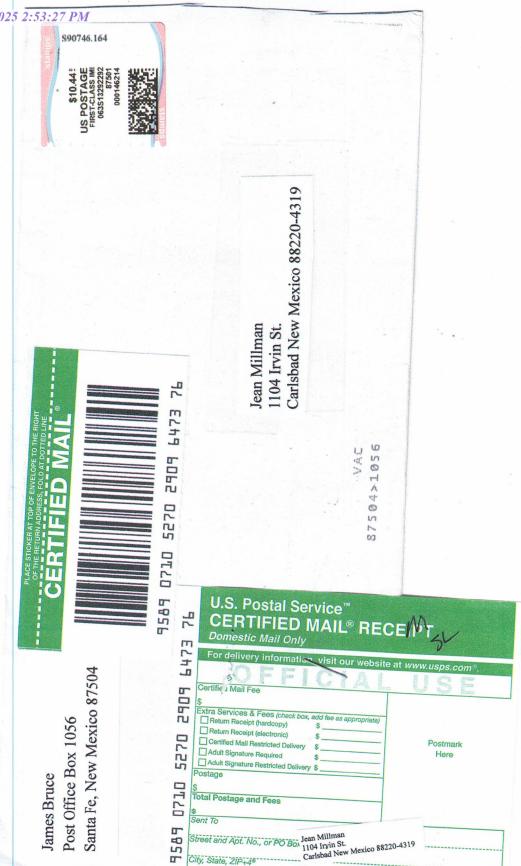
Jean Millman 1104 Irvin St. Carlsbad New Mexico 88220-4319

John Millman 114 Bell Ave., Apt. 4 Amarillo, Texas

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X Usaling Kenh Colonia Agent  Exaddressee  B. Received by (Printed Name)  C. Date of Delivery  Wester Kashir Kabusta 115/25				
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Page 33 of 40



PS Form 3800, January 2023



#### **CASE NO. 25573**

#### **STATUS OF CERTIFIED NOTICE**

INTEREST OWNER	MAIING DATE	RECEIPT DATE	CARD RETURNED
Wesley Keith Roberts	August 20, 2025	September 15, 2025	Yes
Randall Wray Jenkins Jr.	August 20, 2025	Returned undelivered	No
Jean Millman	August 20, 2025	Returned undelivered	No
John Millman	August 20, 2025	Returned undelivered	No

Revised 4.B

Affidavit of Publication State of New Mexico Publisher County of Eddy: Adrian Hedden being duly sworn, sayes that he is the Publisher of the Carlsbad Current Argus, a weekly newspaper of general circulation, published in English at Carlsbad, said county and state, and that the hereto attached Legal Ad was published in a regular and entire issue of the said Carlsbad Current Argus, a weekly newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for Consecutive weeks/day on the same day as follows: First Publication August 23, 2025 Second Publication Third Publication Fourth Publication Fifth Publication Sixth Publication Seventh Publication Eighth Publication Subscribed ans sworn before me this 25th day of 2025 August LATISHA ROMINE Notary Public, State of New Maxico Commission No. 1076338 My Commission Expires

Latisha Romine

Notary Public, Eddy County, New Mexico

#### **Copy of Publication:**

#### NOTICE

To: Wesley Keith Roberts, Randall Wray Jenkins Jr., Jean Millman, and John Millman, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division requesting compulsory pooling, as follows:

Case No. 25573: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/25/2 of Section 9 and the S/25/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the Unit). Applicant proposes to drill the following wells in the Unit to test the Bone Spring formation: The Sandto 19/8 Well Nos. 527H and 557H, with first take points in the SE/4SE/4 of Section 9 and last take points in the SW/4SW/4 of Section 8.

Also to be considered will be the cost of drilling, completing, testing, and equipping the wells, and the allocation of the cost thereof among the wells working interest owners, designation of Applicant as operator of the wells 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 wells in the event a working interest owner elects not to participate in the wells.

This matter is scheduled for hearing at 9:00 a.m. on Thursday, September 11, 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 Divisions 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 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.nm.gov and should include: The name of the party and the partys 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 applicants attorney, James Bruce, Post Office Box 1056, Santa Fe, New Mexico 8.7504, jamesbruc@aol.com. The Unit is located approximately 3-1/2 miles northwest of Otis, New Mexico. 59970-Published in Carlsbad Current Argus Aug. 23, 2025.

EXHIBIT 5

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

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

CASE NO. <u>25573</u>

#### **APPLICATION**

Mewbourne Oil Company ("Applicant") files this application with the Oil Conservation Division (the "Division") for an order pooling uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 8, Township 22 South, Range 27 East, Eddy County, New Mexico (the "Unir"). In support of this application, Applicant states:

- 1. Applicant is an interest owner an operator in the Unit, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the following wells in the Unit to depths sufficient to test the Bone Spring formation: The Sandlot 9/8 Well Nos. 527H and 557H, with first take points in the SE/4SE/4 of Section 9 and last take points in the SW/4SW/4 of Section 8.
- 3. Although Applicant has in good faith sought to obtain voluntary joinder of all other mineral interest owners in the Unit to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to commit their interests. Therefore, Applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the Unit, pursuant to NMSA 1978 Sec. 70-2-17.

EXHIBIT (

**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;
- B. Designating Applicant as operator of the wells and the Unit;
- C. Considering the cost of drilling, completing, testing, and equipping the wells, and allocating the cost thereof among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells

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 for compulsory pooling, Eddy County, New Mexico: Mewbourne Oil Company ("Applicant") has filed an application with the Oil Conservation Division for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 9 and the S/2S/2 of Section 8, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit). Applicant proposes to drill the following wells in the Unit to test the Bone Spring formation: The Sandlot 9/8 Well Nos. 527H and 557H, with first take points in the SE/4SE/4 of Section 9 and last take points in the SW/4SW/4 of Section 8. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells, and the allocation of the cost thereof among the wells' working interest owners, designation of Applicant as operator of the wells 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 wells in the event a working interest owner elects not to participate in the wells. The Unit is located approximately 3-1/2 miles northwest of Otis, New Mexico.