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

APPLICATION OF MEWBOURNE OIL COMPANY FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16183

SUPPLEMENTAL STATEMENT

Jalapeno Corporation submits this Supplemental Statement to address events that have occurred subsequent to the filing of the Pre-Hearing Statement. Jalapeno and Mewbourne have reached agreement on Jalapeno's participation in the Virgo 24/23 B2HE Fed Com. Well #1H. Mewbourne has agreed to dismiss Jalapeno from this proceeding. Consequently, Jalapeno does not plan to appear or present evidence at the hearing in this matter.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail this 30th day of May, 2018.

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