

INDEX

MEWBOURNE OIL COMPANY

CASE NO. 20975

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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. 20975

VERIFIED STATEMENT OF TYLER JOLLY

STATE OF TEXAS                     )  
                                              ) ss.  
COUNTY OF MIDLAND            )

Tyler Jolly, 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. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application:

(a) The purpose of this application is to force pool working interest owners into the horizontal spacing unit described below, and in wells to be drilled in the unit.

(b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have simply failed or refused to voluntarily commit their interests to the well. Some interest owners are unlocatable.

(c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order approving a horizontal spacing unit in the Bone Spring formation comprised of the N2NE4 of Section 29 and N2N2 of Section 28, Township 18 South, Range 29 East, NMPM. Mewbourne further seeks the pooling of all mineral interests in the Bone Spring formation underlying the unit. A Form C-102 is part of Attachment A. The unit will be dedicated to the Pavo Frio 29-28 B3BA Fed Com. Well No. 1H, a horizontal well with a first take point 500' FNL & 2540' FEL in Section 29 and a final take point 400' FNL & 100' FEL of Section 28. The well is in the Pamillo North; Bone Spring Pool, whose pool code is 49554.

EXHIBIT

- (d) There is no depth severance in the Bone Spring formation.
- (e) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses are also set forth.

In order to find the unlocatable parties we examined county and governmental records, and also conducted internet searches including county records, internet searches, white pages, etc.

- (f) Attachment C contains a summary of contacts with the locatable interest owners, together with copies of the proposal letters and e-mails with them.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the interest owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/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 area 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.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS                    )  
                                          ) ss.  
COUNTY OF MIDLAND            )

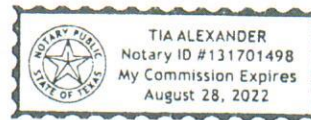
Tyler Jolly, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Tyler Jolly

SUBSCRIBED AND SWORN TO before me this 9 day of December, 2019 by  
Tyler Jolly.

My Commission Expires: 8-28-22

  
\_\_\_\_\_  
Notary Public









District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                                        |                                                                |                                                      |
|--------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------|
| <sup>1</sup> API Number<br>30-015-46017                | <sup>2</sup> Pool Code<br>49554                                | <sup>3</sup> Pool Name<br>Palmillo North Bone Spring |
| <sup>4</sup> Property Code<br><del>325689</del> 326314 | <sup>5</sup> Property Name<br>PAVO FRIO 29/28 B3BA FEDERAL COM |                                                      |
| <sup>7</sup> OGRID NO.<br>14744                        | <sup>8</sup> Operator Name<br>MEWBOURNE OIL COMPANY            | <sup>6</sup> Well Number<br>1H                       |
|                                                        |                                                                | <sup>9</sup> Elevation<br>3497'                      |

<sup>10</sup> Surface Location

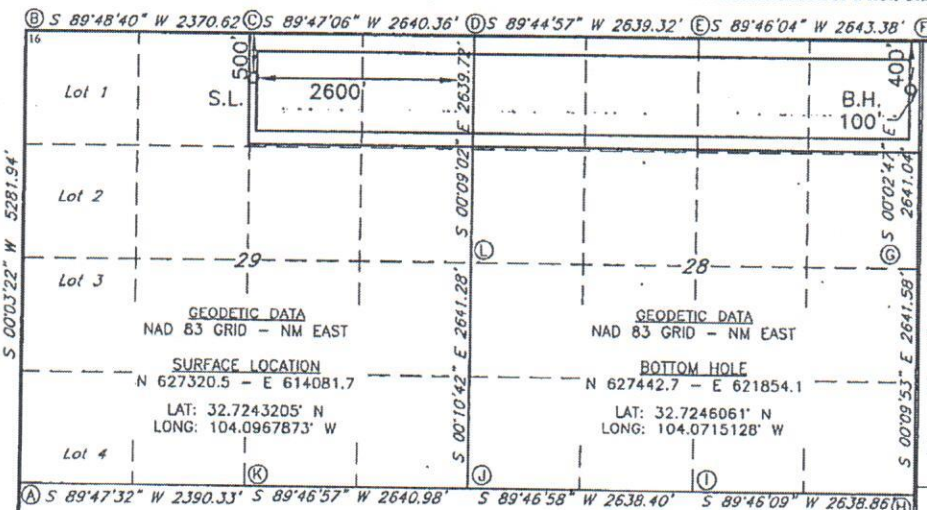
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet From the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 29      | 18S      | 29E   |         | 500           | NORTH            | 2600          | EAST           | EDDY   |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A             | 28      | 18S      | 29E   |         | 400           | NORTH            | 100           | EAST           | EDDY   |

|                                      |                               |                                  |                         |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>240 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

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



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Jake Maxey* Date: 10/21/2019

Printed Name: Jake Maxey

E-mail Address: jmaxey@mewbourne.com

<sup>18</sup> SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

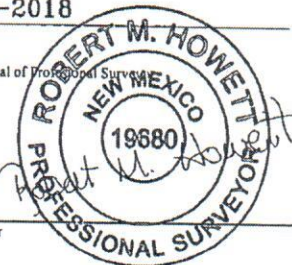
02-28-2018

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number



Job No.: LS1802232

RWP 11-5-19

Tract Ownership

Pavo Frio 29-28 B3BA Fed Com #1H

N2NE4 of Section 29 & N2N2 of Section 28, T18S, R29E, Eddy County, New Mexico

|                               |                  |
|-------------------------------|------------------|
| Mewbourne Oil Company, et al. | 99.98373%        |
| Donna Bliven                  | <u>0.01627%*</u> |
|                               | 100.000000%      |

\*Indicates interest is being pooled.

\*Donna Bliven is unlocatable.

ATTACHMENT

B

**Summary of Communications**  
**Pavo Frio 29-28 B3BA Fed Com #1H**  
**N2NE4 of Section 29 & N2N2 of Section 28, T18S, R29E, Eddy County, NM**

**Donna Bliven**

1. July 8, 2019, sent well proposal via certified mail to Donna Bliven for the Pavo Frio 29-28 B3JI Fed Com #1H. Certified mail was returned to our office as undeliverable.
2. July 10, 2019, called to offer term assignment, left voicemail. Do not know if this number is the correct phone number for Donna Bliven.

\*Donna Bliven is believed to be deceased, but no proof of death has been obtained.

\*Appears to be unlocatable.

ATTACHMENT

C



## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland, Texas 79701

Phone (432) 682-3715

Fax (432) 685-4170

July 8, 2019

Via Certified Mail

Donna Bliven  
506 Orchard Lane, Apt. #17  
Carlsbad, NM 88220

Re: **Pavo Frio 29-28 B3JI Fed Com #1H**  
Proposed Horizontal Test  
N2SE4 of Section 29 & N2S2 of Section 28  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company, as Operator, hereby proposes drilling the following horizontal test:

Pavo Frio 29-28 B3JI Fed Com #1H – API # - pending  
Surface Location: 1980' FSL, 2385' FEL, UL J (Section 29)  
Bottom Hole Location: 1980' FSL, 100' FEL, UL I (Section 28)  
Proposed Total Vertical Depth: 8,550'  
Proposed Total Measured Depth: 15,770'  
Formation: Bone Spring

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to the undersigned within thirty (30) days. After I receive the executed AFE, I will forward our Operating Agreement for execution. Please enclose your most current well information requirements so that we may supply well data when available.

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

Very truly yours,

MEWBOURNE OIL COMPANY

  
Tyler Jolly  
Landman

[Print Selected Signatures](#)

| Group                   | Originator     | Recipient     | USPS Item Number                       | Created                                                     | Advance Mail Date | Last Status                                     | Options                                      | Selected                                                |
|-------------------------|----------------|---------------|----------------------------------------|-------------------------------------------------------------|-------------------|-------------------------------------------------|----------------------------------------------|---------------------------------------------------------|
| <a href="#">Details</a> | MIDLAND OFFICE | Vickie Ausley | Donna Bliven                           | 9414810699945042020232<br>Ref #: Pavo Frio 29 28 B3JI<br>1H | 7/8/2019          | <a href="#">Accepted (7/8/2019 8:54:00 PM)</a>  | Reminder to Schedule Redelivery of your item |                                                         |
| <a href="#">Details</a> | MIDLAND OFFICE | Vickie Ausley | Southwest Petroleum Land Services, LLC | 9414810699945042031986<br>Ref #: Pavo Frio 29 28 B3JI<br>1H | 7/9/2019          | <a href="#">Accepted (7/10/2019 2:38:00 PM)</a> | 7/13/2019<br>Delivered, Left with Individual | <a href="#">View Signature</a> <input type="checkbox"/> |
| <a href="#">Details</a> | MIDLAND OFFICE | Vickie Ausley | Innoventions, Inc.                     | 9414810699945042032013<br>Ref #: Pavo Frio 29 28 B3JI<br>1H | 7/9/2019          | <a href="#">Accepted (7/10/2019 7:44:00 PM)</a> | 7/16/2019<br>Delivered                       | <a href="#">View Signature</a> <input type="checkbox"/> |
| <a href="#">Details</a> | MIDLAND OFFICE | Vickie Ausley | Blackbird Royalties, LLC               | 9414810699945042032037<br>Ref #: Pavo Frio 29 28 B3JI<br>1H | 7/9/2019          | <a href="#">Accepted (7/9/2019 9:17:00 PM)</a>  | 7/11/2019<br>Delivered, Left with Individual | <a href="#">View Signature</a> <input type="checkbox"/> |

[Print Selected Signatures](#)

Tracking Search Details

## Status: In Transit

| Event Type                                      | Date                       | Location                  |
|-------------------------------------------------|----------------------------|---------------------------|
| Reminder to Schedule Redelivery of your item    |                            |                           |
| Notice Left (No Authorized Recipient Available) | July 10, 2019 12:32 pm     | CARLSBAD, NM 88220        |
| Out for Delivery                                | July 10, 2019 7:18 am      | CARLSBAD, NM 88220        |
| Sorting Complete                                | July 10, 2019 7:08 am      | CARLSBAD, NM 88220        |
| Arrived at Unit                                 | July 10, 2019 5:46 am      | CARLSBAD, NM 88220        |
| Departed USPS Regional Facility                 | July 9, 2019 10:59 pm      | LUBBOCK TX DISTRIBUTION C |
| Arrived at USPS Regional Facility               | July 9, 2019 6:56 pm       | LUBBOCK TX DISTRIBUTION C |
| In Transit to Next Facility                     | July 9, 2019               |                           |
| Arrived at USPS Regional Origin Facility        | July 8, 2019 10:09 pm      | MIDLAND TX DISTRIBUTION C |
| Accepted at USPS Origin Facility                | July 8, 2019 8:54 pm       | MIDLAND, TX 79701         |
| Shipping Label Created, USPS Awaiting Item      | July 8, 2019 12:45 pm      | MIDLAND, TX 79701         |
| Print Delivery Information:                     | <a href="#">Click Here</a> |                           |
| Print Proof Of Acceptance:                      | <a href="#">Click Here</a> |                           |
| Print Delivery Document:                        | <a href="#">Click Here</a> |                           |



## **Proof of Acceptance (Electronic)**

Date: 7/29/2019

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9414810699945042020232,  
addressed to Donna Bliven

Accepted at USPS Origin Facility-July 8, 2019, 8:54 pm, MIDLAND, TX  
79701

The item number, time, date, city, state, and zip code is a true extract of  
information provided by the United States Postal Service to  
SimpleCertifiedMail.com.

Donna Bliven  
506 Orchard Lane, Apt #17  
Carlsbad, NM 88220  
Reference #: Pavo Frio 29 28 B3JI 1H  
Item ID: Pavo Frio 29 28 B3JI 1H  
Group Name: MIDLAND OFFICE

The above information is for the sole use of SimpleCertifiedMail.com  
clients and represents information provided by the United States Postal  
Service.



# MEWBOURNE OIL COMPANY

## AUTHORIZATION FOR EXPENDITURE

|                                                                                   |              |                                   |                                                                          |
|-----------------------------------------------------------------------------------|--------------|-----------------------------------|--------------------------------------------------------------------------|
| Well Name: <b>PAVO FRIO 29/28 B3BA FED COM #1H</b>                                |              | Prospect: <b>Pavo Frio</b>        |                                                                          |
| Location: <b>SL: 500 FNL &amp; 2600 FEL (29); BHL: 400 FNL &amp; 100 FEL (28)</b> |              | County: <b>Eddy</b> ST: <b>NM</b> |                                                                          |
| Sec: <b>29</b>                                                                    | Blk: <b></b> | Survey: <b></b>                   | TWP: <b>18S</b> RNG: <b>29E</b> Prop. TVD: <b>8638</b> TMD: <b>16084</b> |

| INTANGIBLE COSTS 0180                |                                        | CODE      | TCP                | CODE      | CC                 |
|--------------------------------------|----------------------------------------|-----------|--------------------|-----------|--------------------|
| Regulatory Permits & Surveys         |                                        | 0180-0100 | \$10,000           | 0180-0200 |                    |
| Location / Road / Site / Preparation |                                        | 0180-0105 | \$60,000           | 0180-0205 |                    |
| Location / Restoration               |                                        | 0180-0106 | \$200,000          | 0180-0206 | \$30,000           |
| Daywork / Turnkey / Footage Drilling | 33 days drlg / 3 days comp @ \$21500/d | 0180-0110 | \$757,700          | 0180-0210 | \$68,900           |
| Fuel                                 | 1700 gal/day @ \$2.74/gal              | 0180-0114 | \$164,200          | 0180-0214 | \$240,000          |
| Mud, Chemical & Additives            |                                        | 0180-0120 | \$200,000          | 0180-0220 |                    |
| Horizontal Drillout Services         |                                        |           |                    | 0180-0222 | \$200,000          |
| Cementing                            |                                        | 0180-0125 | \$100,000          | 0180-0225 | \$30,000           |
| Logging & Wireline Services          |                                        | 0180-0130 | \$2,500            | 0180-0230 | \$290,000          |
| Casing / Tubing / Snubbing Service   |                                        | 0180-0134 | \$20,000           | 0180-0234 | \$90,000           |
| Mud Logging                          |                                        | 0180-0137 | \$30,000           |           |                    |
| Stimulation                          | 37 Stg 14.8 MM gal/ 14.8 MM lb         |           |                    | 0180-0241 | \$1,375,000        |
| Stimulation Rentals & Other          |                                        |           |                    | 0180-0242 | \$200,000          |
| Water & Other                        |                                        | 0180-0145 | \$60,000           | 0180-0245 | \$406,000          |
| Bits                                 |                                        | 0180-0148 | \$125,000          | 0180-0248 | \$8,000            |
| Inspection & Repair Services         |                                        | 0180-0150 | \$40,000           | 0180-0250 | \$5,000            |
| Misc. Air & Pumping Services         |                                        | 0180-0154 |                    | 0180-0254 | \$10,000           |
| Testing & Flowback Services          |                                        | 0180-0158 | \$15,000           | 0180-0258 | \$30,000           |
| Completion / Workover Rig            |                                        |           |                    | 0180-0260 | \$10,500           |
| Rig Mobilization                     |                                        | 0180-0164 | \$150,000          |           |                    |
| Transportation                       |                                        | 0180-0165 | \$30,000           | 0180-0265 | \$20,000           |
| Welding Services                     |                                        | 0180-0168 | \$5,000            | 0180-0268 | \$15,000           |
| Contract Services & Supervision      |                                        | 0180-0170 | \$54,000           | 0180-0270 | \$52,500           |
| Directional Services                 | Includes Vertical Control              | 0180-0175 | \$387,500          |           |                    |
| Equipment Rental                     |                                        | 0180-0180 | \$270,700          | 0180-0280 | \$30,000           |
| Well / Lease Legal                   |                                        | 0180-0184 | \$5,000            | 0180-0284 |                    |
| Well / Lease Insurance               |                                        | 0180-0185 | \$4,200            | 0180-0285 |                    |
| Intangible Supplies                  |                                        | 0180-0188 | \$8,000            | 0180-0288 | \$10,000           |
| Damages                              |                                        | 0180-0190 |                    | 0180-0290 |                    |
| ROW & Easements                      |                                        | 0180-0192 |                    | 0180-0292 | \$4,000            |
| Pipeline Interconnect                |                                        |           |                    | 0180-0293 |                    |
| Company Supervision                  |                                        | 0180-0195 | \$172,800          | 0180-0295 | \$91,200           |
| Overhead Fixed Rate                  |                                        | 0180-0196 | \$10,000           | 0180-0296 | \$20,000           |
| Well Abandonment                     |                                        | 0180-0198 |                    | 0180-0298 |                    |
| Contingencies                        | 2% (TCP) 2% (CC)                       | 0180-0199 | \$57,600           | 0180-0299 | \$64,700           |
| <b>TOTAL</b>                         |                                        |           | <b>\$2,939,200</b> |           | <b>\$3,300,800</b> |

| TANGIBLE COSTS 0181             |                                             | CODE      | TCP                | CODE      | CC                 |
|---------------------------------|---------------------------------------------|-----------|--------------------|-----------|--------------------|
| Casing (19.1" - 30")            |                                             | 0181-0793 |                    |           |                    |
| Casing (10.1" - 19.0")          | 350' - 13 3/8" 54.5# J-55 ST&C @ \$34.83/ft | 0181-0794 | \$13,000           |           |                    |
| Casing (8.1" - 10.0")           | 1170' - 9 5/8" 36# J-55 LT&C @ \$22.72/ft   | 0181-0795 | \$28,400           |           |                    |
| Casing (6.1" - 8.0")            | 8700' - 7" 29# HCP-110 LT&C @ \$23.84/ft    | 0181-0796 | \$221,500          |           |                    |
| Casing (4.1" - 6.0")            | 8150' - 4 1/2" 13.5# P-110 BPN @ \$12.16/ft |           |                    | 0181-0797 | \$105,800          |
| Tubing                          | 8000' - 2 7/8" 6.5# EUE tbg @ \$4.6/ft      |           |                    | 0181-0798 | \$39,300           |
| Drilling Head                   |                                             | 0181-0860 | \$40,000           |           |                    |
| Tubing Head & Upper Section     |                                             |           |                    | 0181-0870 | \$50,000           |
| Horizontal Completion Tools     | Completion Liner Hanger                     |           |                    | 0181-0871 | \$70,000           |
| Sucker Rods                     |                                             |           |                    | 0181-0875 |                    |
| Subsurface Equipment            | Packer                                      |           |                    | 0181-0880 | \$10,000           |
| Artificial Lift Systems         | Gas Lift Valves                             |           |                    | 0181-0884 | \$15,000           |
| Pumping Unit                    |                                             |           |                    | 0181-0885 |                    |
| Surface Pumps & Prime Movers    |                                             |           |                    | 0181-0886 |                    |
| Tanks - Oil                     |                                             |           |                    | 0181-0890 |                    |
| Tanks - Water                   |                                             |           |                    | 0181-0891 |                    |
| Separation / Treating Equipment | 30"x10"x1k# 3 ph/36"x15"x1k#1VRT            |           |                    | 0181-0895 | \$67,000           |
| Heater Treaters, Line Heaters   | 8'x20'x75# HT                               |           |                    | 0181-0897 | \$30,000           |
| Metering Equipment              |                                             |           |                    | 0181-0898 | \$15,000           |
| Line Pipe & Valves - Gathering  |                                             |           |                    | 0181-0900 |                    |
| Fittings / Valves & Accessories |                                             |           |                    | 0181-0906 | \$15,000           |
| Cathodic Protection             |                                             |           |                    | 0181-0908 | \$10,000           |
| Electrical Installation         |                                             |           |                    | 0181-0909 | \$25,000           |
| Equipment Installation          |                                             |           |                    | 0181-0910 | \$30,000           |
| Pipeline Construction           |                                             |           |                    | 0181-0920 |                    |
| <b>TOTAL</b>                    |                                             |           | <b>\$302,900</b>   |           | <b>\$482,100</b>   |
| <b>SUBTOTAL</b>                 |                                             |           | <b>\$3,242,100</b> |           | <b>\$3,782,900</b> |

|                        |  |                    |
|------------------------|--|--------------------|
| <b>TOTAL WELL COST</b> |  | <b>\$7,025,000</b> |
|------------------------|--|--------------------|

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: <u>Jacob Maxey</u>           | Date: <u>10/9/2019</u>  |
| Company Approval: <u><i>m. whitte</i></u> | Date: <u>10/11/2019</u> |
| Joint Owner Interest: _____ Amount: _____ |                         |
| Joint Owner Name: _____                   | Signature: _____        |

ATTACHMENT **D**



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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. 20975

VERIFIED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND                    )  
                                              ) ss.  
STATE OF TEXAS                        )

Charles Crosby, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in this case. I have been qualified by the Division as an expert petroleum geologist.
3. The following geological plats are attached hereto:
  - (a) Attachment A is a structure map of the Top of the Wolfcamp formation. It shows that structure dips gently to the southeast. It also shows a line of cross-section.
  - (b) Attachment B is a gross sand isopach of the 3<sup>rd</sup> Bone Spring Sand, the test zone for the Pavo Frio 29/28 B3BA Fed Com 1H. It shows that the sand across the well unit has a uniform thickness of approximately 275-280 feet.
  - (c) Attachment C is a west-east cross section. The well logs on the cross-section give a representative sample of the 3<sup>rd</sup> Bone Spring Sand formation in this area. The target zone for the well is the Lower 3<sup>rd</sup> Bone Spring Sand, and that zone is continuous across the well unit.
4. I conclude from the maps that:
  - (a) The horizontal spacing unit is justified from a geologic standpoint.
  - (b) Each quarter-quarter section in the unit will contribute more or less equally to production.

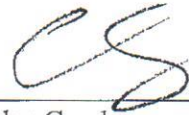
EXHIBIT

2

(c) There is no faulting or other geologic impediment on the area which will affect the drilling of the subject well.

5. Attachment D contains information from other 3<sup>rd</sup> Bone Spring Sand wells drilled in this area. Production for wells with similar completions and similar time online seems to show a preference for laydown orientation, and the completed wells in the are (recent completions) are apparently commercial.

6. Attachment E is the Survey Calculation Report. The producing interval of the proposed well will be orthodox.

A handwritten signature in dark ink, consisting of a large, stylized 'C' followed by a series of loops and a final 'S' shape.

---

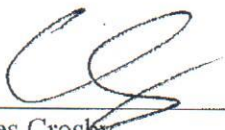
Charles Crosby



VERIFICATION

STATE OF TEXAS                   )  
                                          ) ss.  
COUNTY OF MIDLAND         )

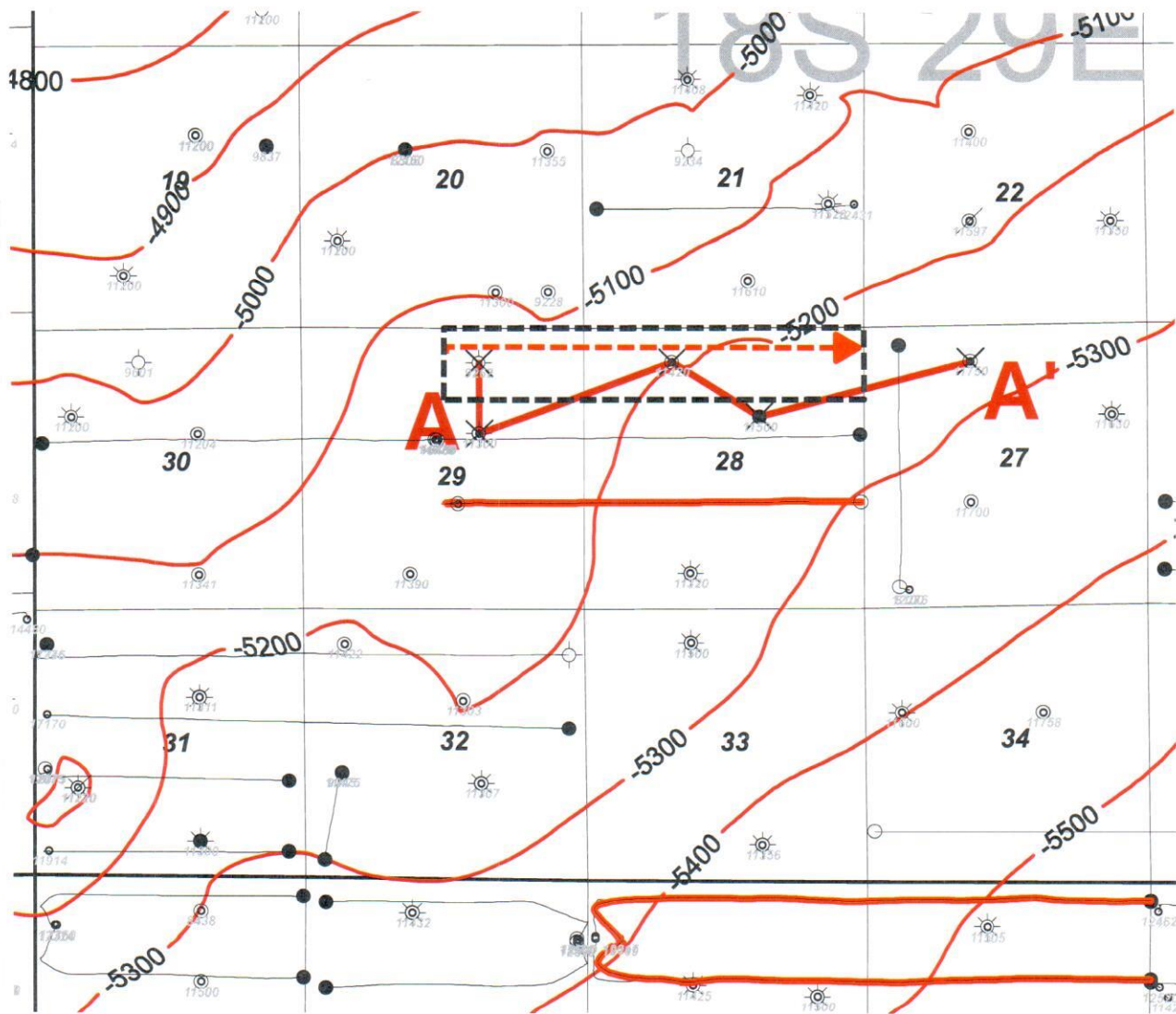
Charles Crosby, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Charles Crosby

SUBSCRIBED AND SWORN TO before me this 6<sup>th</sup> day of December, 2019 by Charles Crosby.

My Commission Expires: January 11, 2022

  
\_\_\_\_\_  
Notary Public



1:38000

1850 0 1850 3700 5550 us ft

ATTACHMENT

A



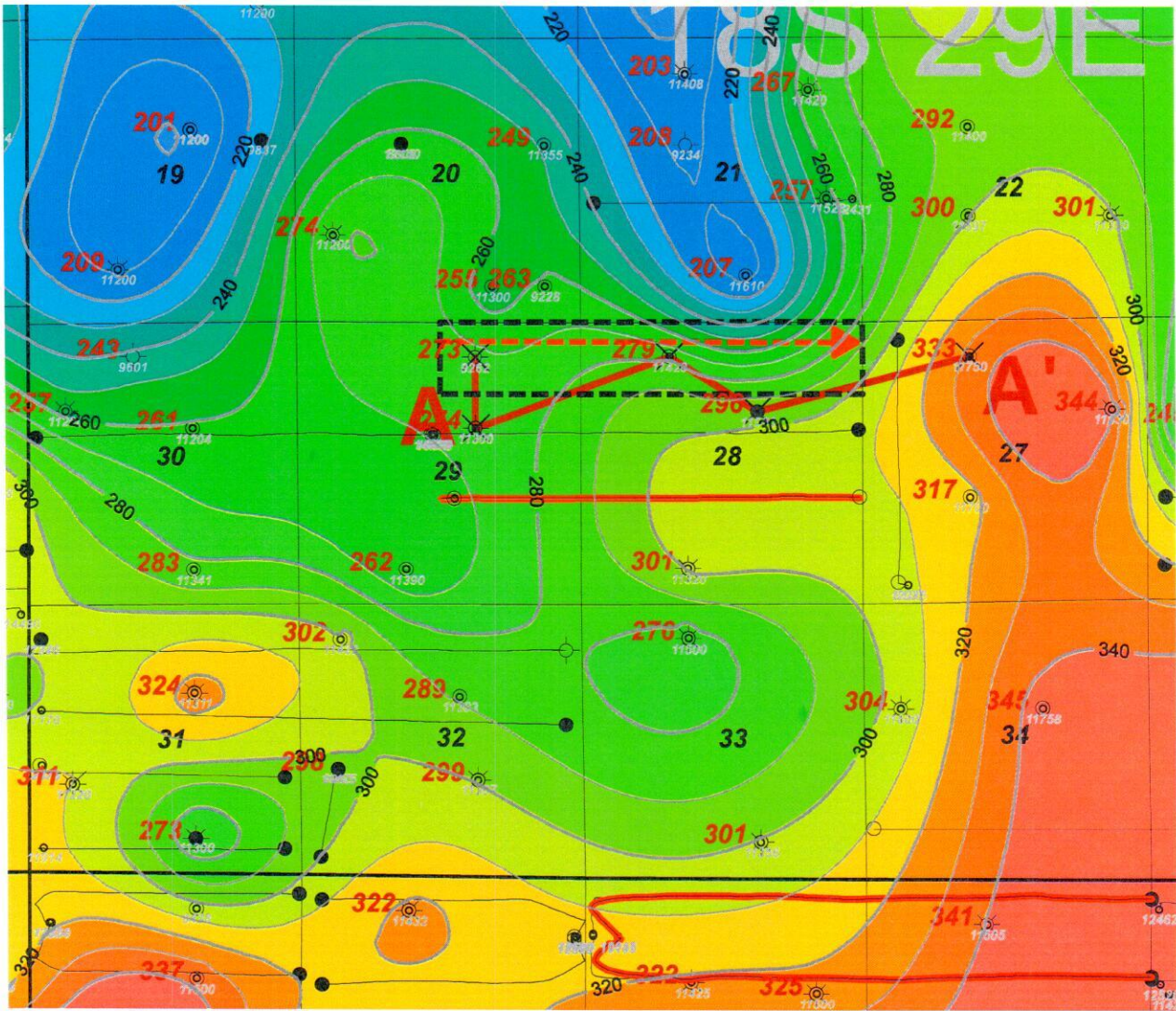
# Horizontal Activity Color Code

3<sup>rd</sup> Bone Spring Sand



|                                                                                                                                                       |             |                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------|
| <div> <b>Mewbourne Oil Company</b> </div>                                                                                                             |             |                 |
| <b>Pavo Frio 29/28 B3BA Fed Com 1H</b><br><b>Horizontal Activity Map</b><br><b>Top Wolfcamp Structure (C.I. 100')</b><br>Wells TD < 8000 filtered out |             |                 |
| 12/6/19                                                                                                                                               | Eddy County | New Mexico      |
|                                                                                                                                                       |             | Geol. C. Crosby |





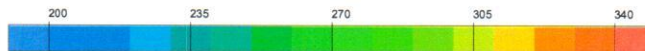
1:38000

1850 0 1850 3700 5550 us ft

3rd BSPG Gross Thickness Isopach (C.I. 10')

Color Filled Contour

Entity



3rd BSPG SD  
Gross Thickness

TD

ATTACHMENT



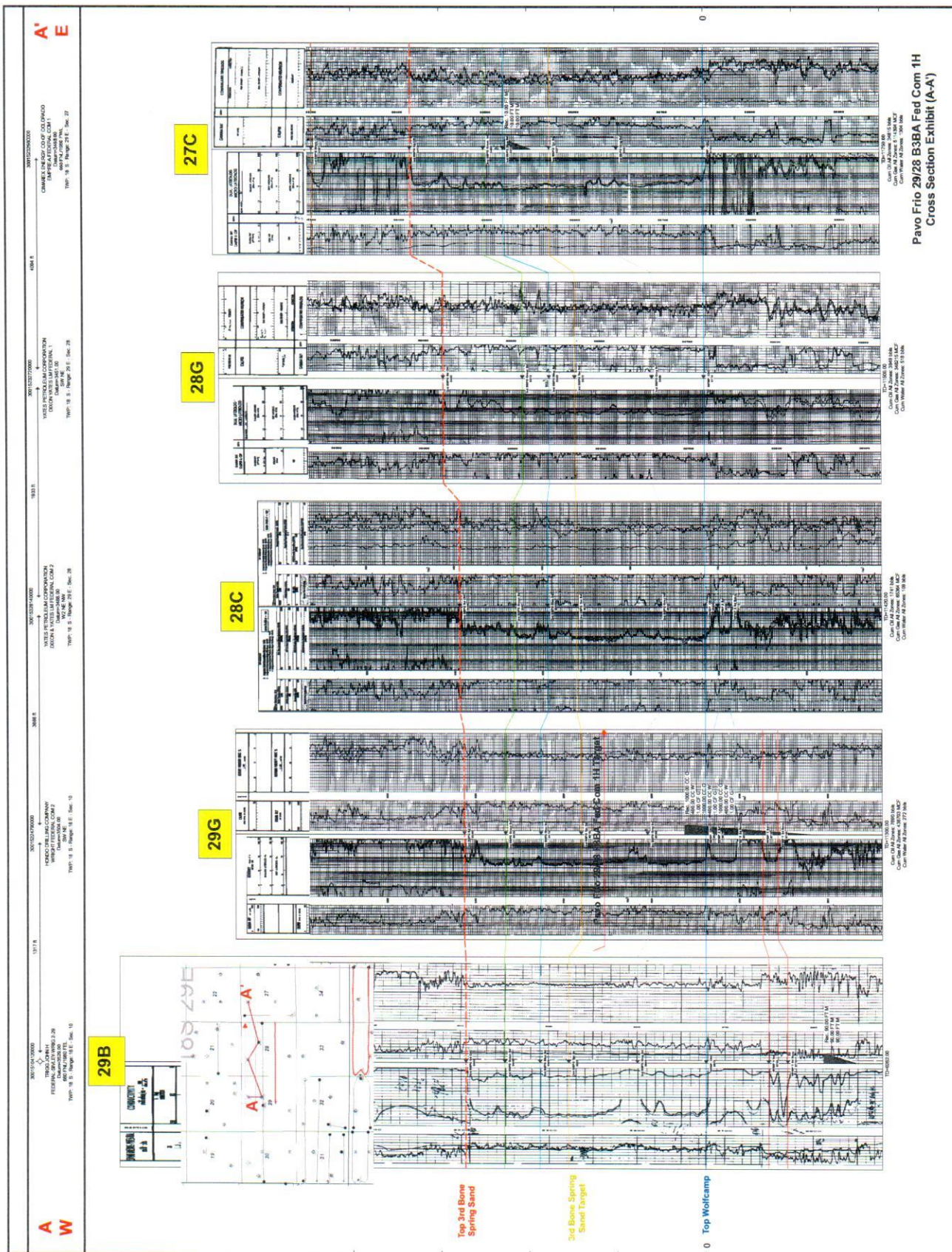
Horizontal Activity Color Code

3rd Bone Spring Sand



| Mewbourne Oil Company                                   |             |            |
|---------------------------------------------------------|-------------|------------|
| Pavo Frio 29/28 B3BA Fed Com 1H                         |             |            |
| Horizontal Activity Map                                 |             |            |
| 3rd Bone Spring Sand Gross Thickness Isopach (C.I. 10') |             |            |
| Wells TD < 8000 filtered out                            |             |            |
| 12/6/19                                                 | Eddy County | New Mexico |
| Geol: C. Crosby                                         |             |            |





| Pavo Frio Area 3rd Bone Spring SD Production Table |           |                 |             |                 |               |               |                 |       |                 |
|----------------------------------------------------|-----------|-----------------|-------------|-----------------|---------------|---------------|-----------------|-------|-----------------|
| Well Name                                          | Operator  | API             | Location    | Completion Date | Cum Oil (Mbo) | Cum Gas (Bcf) | Cum Water (Mbw) | NS/EW | Production Zone |
| Turkey Track 4-3 State 31H                         | Oxy       | 30015443340000  | 4D/19S/29E  | 10/23/2018      | 200           | 0.3           | 91              | EW    | 3rd BSPG SD     |
| Turkey Track 4-3 State 32H                         | Oxy       | 300154433860000 | 4D/19S/29E  | 10/22/2018      | 122           | 0.2           | 86              | EW    | 3rd BSPG SD     |
| Pavo Frio 29-28 B311 Federal Com 1H                | Mewbourne | 30015460180000  | 29J/18S/29E | Pending         |               |               |                 |       |                 |
|                                                    |           |                 |             |                 |               |               |                 | EW    | 3rd BSPG SD     |

ATTACHMENT





# Mewbourne Oil Company

## SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator: Mewbourne Oil Company  
Lease Name: Pavo Frio 29/28 B3BA Fed Com 1H  
KOP 8053.54  
SL: 500 FNL & 2600 FEL Sec 29-18S-29E  
BHL: 400 FNL & 100 FEL Sec 28-18S-29E

Target KBTVD: 8,531 Feet 8531.00  
Target Angle: 89.16 Degrees 89.16  
Section Plane: 89.26 Degrees  
Declination Corrected to True North: 6.63 Degrees  
Bit to Survey Offset: 44 Feet

| Survey No. | Measured Depth-ft | Drift (Deg.) | Azimuth (Deg.) | Course Length | TVD (Feet) | Vertical Section | +N/-S (Feet) | +E/-W (Feet) | Closure Distance | Closure Direction | BUR  | DLS  | KBTVD  | +Above -Below Target | DRIFT (RADIANS) | AZIMUTH (RADIANS) |
|------------|-------------------|--------------|----------------|---------------|------------|------------------|--------------|--------------|------------------|-------------------|------|------|--------|----------------------|-----------------|-------------------|
| T/I        | 8053.54           | 0.00         | 89.26          | N/A           | 8053.5     | 0.0              | 0.0          | 0.0          | 0.0              | 0.0               | N/A  | N/A  | 8053.5 | 477.5                | 1E-12           | 1.56 #VALUE!      |
| 1          | 8127.83           | 8.92         | 89.26          | 74.298        | 8127.5     | 5.8              | 0.1          | 5.8          | 5.8              | 89.3              | 12.0 | 12.0 | 8127.4 | 403.6                | 0.15561006      | 1.56 0.1556101    |
| 2          | 8202.13           | 17.83        | 89.26          | 74.298        | 8199.7     | 22.9             | 0.3          | 22.9         | 22.9             | 89.3              | 12.0 | 12.0 | 8199.4 | 331.6                | 0.31122011      | 1.56 0.1556101    |
| 3          | 8276.43           | 26.75        | 89.26          | 74.298        | 8268.4     | 51.1             | 0.7          | 51.1         | 51.1             | 89.3              | 12.0 | 12.0 | 8267.7 | 263.3                | 0.46683017      | 1.56 0.1556101    |
| 4          | 8350.73           | 35.66        | 89.26          | 74.298        | 8331.9     | 89.5             | 1.2          | 89.5         | 89.5             | 89.3              | 12.0 | 12.0 | 8330.6 | 200.4                | 0.62244023      | 1.56 0.1556101    |
| 5          | 8425.03           | 44.58        | 89.26          | 74.298        | 8388.7     | 137.4            | 1.8          | 137.4        | 137.4            | 89.3              | 12.0 | 12.0 | 8386.6 | 144.4                | 0.77805029      | 1.56 0.1556101    |
| 6          | 8499.33           | 53.49        | 89.26          | 74.298        | 8437.3     | 193.4            | 2.5          | 193.4        | 193.4            | 89.3              | 12.0 | 12.0 | 8434.5 | 96.5                 | 0.93366034      | 1.56 0.1556101    |
| 7          | 8573.62           | 62.41        | 89.26          | 74.298        | 8476.7     | 256.3            | 3.3          | 256.3        | 256.3            | 89.3              | 12.0 | 12.0 | 8472.9 | 58.1                 | 1.0892704       | 1.56 0.1556101    |
| 8          | 8647.92           | 71.33        | 89.26          | 74.298        | 8505.9     | 324.6            | 4.2          | 324.6        | 324.6            | 89.3              | 12.0 | 12.0 | 8501.1 | 29.9                 | 1.24488046      | 1.56 0.1556101    |
| 9          | 8722.22           | 80.24        | 89.26          | 74.298        | 8524.1     | 396.5            | 5.1          | 396.5        | 396.5            | 89.3              | 12.0 | 12.0 | 8518.3 | 12.7                 | 1.40049052      | 1.56 0.1556101    |
| 10         | 8796.52           | 89.16        | 89.26          | 74.298        | 8530.9     | 470.4            | 6.1          | 470.4        | 470.4            | 89.3              | 12.0 | 12.0 | 8524.0 | 7.0                  | 1.55610057      | 1.56 0.1556101    |
| 11         | 8800.00           | 89.16        | 89.26          | 3.4815        | 8531.0     | 473.9            | 6.1          | 473.9        | 473.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 12         | 8900.00           | 89.16        | 89.26          | 100           | 8532.5     | 573.9            | 7.4          | 573.9        | 573.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 13         | 9000.00           | 89.16        | 89.26          | 100           | 8533.9     | 673.9            | 8.7          | 673.9        | 673.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 14         | 9100.00           | 89.16        | 89.26          | 100           | 8535.4     | 773.9            | 10.0         | 773.8        | 773.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 15         | 9200.00           | 89.16        | 89.26          | 100           | 8536.9     | 873.9            | 11.3         | 873.8        | 873.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 16         | 9300.00           | 89.16        | 89.26          | 100           | 8538.3     | 973.9            | 12.6         | 973.8        | 973.9            | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 17         | 9400.00           | 89.16        | 89.26          | 100           | 8539.8     | 1073.9           | 13.8         | 1073.8       | 1073.9           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 18         | 9500.00           | 89.16        | 89.26          | 100           | 8541.3     | 1173.9           | 15.1         | 1173.8       | 1173.9           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 19         | 9600.00           | 89.16        | 89.26          | 100           | 8542.8     | 1273.8           | 16.4         | 1273.7       | 1273.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 20         | 9700.00           | 89.16        | 89.26          | 100           | 8544.2     | 1373.8           | 17.7         | 1373.7       | 1373.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 21         | 9800.00           | 89.16        | 89.26          | 100           | 8545.7     | 1473.8           | 19.0         | 1473.7       | 1473.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 22         | 9900.00           | 89.16        | 89.26          | 100           | 8547.2     | 1573.8           | 20.3         | 1573.7       | 1573.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 23         | 10000.00          | 89.16        | 89.26          | 100           | 8548.6     | 1673.8           | 21.6         | 1673.7       | 1673.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 24         | 10100.00          | 89.16        | 89.26          | 100           | 8550.1     | 1773.8           | 22.9         | 1773.6       | 1773.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 25         | 10200.00          | 89.16        | 89.26          | 100           | 8551.6     | 1873.8           | 24.2         | 1873.6       | 1873.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 26         | 10300.00          | 89.16        | 89.26          | 100           | 8553.0     | 1973.8           | 25.5         | 1973.6       | 1973.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 27         | 10400.00          | 89.16        | 89.26          | 100           | 8554.5     | 2073.8           | 26.7         | 2073.6       | 2073.8           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 28         | 10500.00          | 89.16        | 89.26          | 100           | 8556.0     | 2173.7           | 28.0         | 2173.6       | 2173.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 29         | 10600.00          | 89.16        | 89.26          | 100           | 8557.5     | 2273.7           | 29.3         | 2273.5       | 2273.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 30         | 10700.00          | 89.16        | 89.26          | 100           | 8558.9     | 2373.7           | 30.6         | 2373.5       | 2373.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 31         | 10800.00          | 89.16        | 89.26          | 100           | 8560.4     | 2473.7           | 31.9         | 2473.5       | 2473.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 32         | 10900.00          | 89.16        | 89.26          | 100           | 8561.9     | 2573.7           | 33.2         | 2573.5       | 2573.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 33         | 11000.00          | 89.16        | 89.26          | 100           | 8563.3     | 2673.7           | 34.5         | 2673.5       | 2673.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 34         | 11100.00          | 89.16        | 89.26          | 100           | 8564.8     | 2773.7           | 35.8         | 2773.5       | 2773.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 35         | 11200.00          | 89.16        | 89.26          | 100           | 8566.3     | 2873.7           | 37.1         | 2873.4       | 2873.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 36         | 11300.00          | 89.16        | 89.26          | 100           | 8567.7     | 2973.7           | 38.3         | 2973.4       | 2973.7           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 37         | 11400.00          | 89.16        | 89.26          | 100           | 8569.2     | 3073.6           | 39.6         | 3073.4       | 3073.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 38         | 11500.00          | 89.16        | 89.26          | 100           | 8570.7     | 3173.6           | 40.9         | 3173.4       | 3173.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 39         | 11600.00          | 89.16        | 89.26          | 100           | 8572.1     | 3273.6           | 42.2         | 3273.4       | 3273.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 40         | 11700.00          | 89.16        | 89.26          | 100           | 8573.6     | 3373.6           | 43.5         | 3373.3       | 3373.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 41         | 11800.00          | 89.16        | 89.26          | 100           | 8575.1     | 3473.6           | 44.8         | 3473.3       | 3473.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 42         | 11900.00          | 89.16        | 89.26          | 100           | 8576.6     | 3573.6           | 46.1         | 3573.3       | 3573.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 43         | 12000.00          | 89.16        | 89.26          | 100           | 8578.0     | 3673.6           | 47.4         | 3673.3       | 3673.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 44         | 12100.00          | 89.16        | 89.26          | 100           | 8579.5     | 3773.6           | 48.7         | 3773.3       | 3773.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 45         | 12200.00          | 89.16        | 89.26          | 100           | 8581.0     | 3873.6           | 50.0         | 3873.2       | 3873.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 46         | 12300.00          | 89.16        | 89.26          | 100           | 8582.4     | 3973.6           | 51.2         | 3973.2       | 3973.6           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 47         | 12400.00          | 89.16        | 89.26          | 100           | 8583.9     | 4073.5           | 52.5         | 4073.2       | 4073.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 48         | 12500.00          | 89.16        | 89.26          | 100           | 8585.4     | 4173.5           | 53.8         | 4173.2       | 4173.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 49         | 12600.00          | 89.16        | 89.26          | 100           | 8586.8     | 4273.5           | 55.1         | 4273.2       | 4273.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 50         | 12700.00          | 89.16        | 89.26          | 100           | 8588.3     | 4373.5           | 56.4         | 4373.1       | 4373.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 51         | 12800.00          | 89.16        | 89.26          | 100           | 8589.8     | 4473.5           | 57.7         | 4473.1       | 4473.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 52         | 12900.00          | 89.16        | 89.26          | 100           | 8591.3     | 4573.5           | 59.0         | 4573.1       | 4573.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 53         | 13000.00          | 89.16        | 89.26          | 100           | 8592.7     | 4673.5           | 60.3         | 4673.1       | 4673.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 54         | 13100.00          | 89.16        | 89.26          | 100           | 8594.2     | 4773.5           | 61.6         | 4773.1       | 4773.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 55         | 13200.00          | 89.16        | 89.26          | 100           | 8595.7     | 4873.5           | 62.9         | 4873.0       | 4873.5           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 56         | 13300.00          | 89.16        | 89.26          | 100           | 8597.1     | 4973.4           | 64.1         | 4973.0       | 4973.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 57         | 13400.00          | 89.16        | 89.26          | 100           | 8598.6     | 5073.4           | 65.4         | 5073.0       | 5073.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 58         | 13500.00          | 89.16        | 89.26          | 100           | 8600.1     | 5173.4           | 66.7         | 5173.0       | 5173.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 59         | 13600.00          | 89.16        | 89.26          | 100           | 8601.5     | 5273.4           | 68.0         | 5273.0       | 5273.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 60         | 13700.00          | 89.16        | 89.26          | 100           | 8603.0     | 5373.4           | 69.3         | 5373.0       | 5373.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 61         | 13800.00          | 89.16        | 89.26          | 100           | 8604.5     | 5473.4           | 70.6         | 5472.9       | 5473.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 62         | 13900.00          | 89.16        | 89.26          | 100           | 8605.9     | 5573.4           | 71.9         | 5572.9       | 5573.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 63         | 14000.00          | 89.16        | 89.26          | 100           | 8607.4     | 5673.4           | 73.2         | 5672.9       | 5673.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 64         | 14100.00          | 89.16        | 89.26          | 100           | 8608.9     | 5773.4           | 74.5         | 5772.9       | 5773.4           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |
| 65         | 14200.00          | 89.16        | 89.26          | 100           | 8610.4     | 5873.3           | 75.7         | 5872.9       | 5873.3           | 89.3              | 0.0  | 0.0  | 8524.0 | 7.0                  | 1.55610057      | 1.56 1E-10        |



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

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

Case No. 20975

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.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct 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 certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. 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 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:

12/11/19

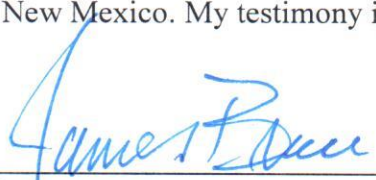
  
James Bruce

EXHIBIT 3

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

November 21, 2019

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

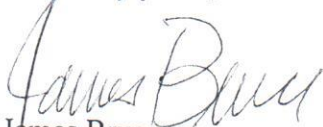
Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Bone Spring well in the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, December 12, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you 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 by Division Regulations to file a Pre-Hearing Statement no later than Thursday, December 5, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing

Very truly yours,

  
James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

A

EXHIBIT A

Dorado Petroleum, LLC  
6000 Western Place, Suite 120  
Fort Worth, Texas 76107  
Attn: Cam Quisenberry

Kane Resources, LLC  
P.O. Box 471096  
Fort Worth, Texas 76147  
Attn: Alex Reardon

Shirley McGehearty  
3320 Avenue J  
Bay City, Texas 77414

The Estate of Gladys Anne Koontz  
Shirley McGehearty, Independent Administrator  
3320 Avenue J  
Bay City, Texas 77414

Donna Bliven  
506 Orchard Lane, Apt. #17  
Carlsbad, NM 88220



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Donna Bliven  
506 Orchard Lane, Apt. #17  
Carlsbad, NM 88220



9590 9402 4582 8278 5879 45

2. Article Number (Transfer from service label)

7018 3090 0001 4742 7281

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery 11-22-09

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery  
☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Return Receipt for Signature Confirmation™  
☐ Restricted Delivery

U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT  
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For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee \$  
Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$  
Postage \$  
Total Postage and Fees \$

Postmark Here

Sent To Donna Bliven  
506 Orchard Lane, Apt. #17  
Carlsbad, NM 88220  
Street and Apt. No., or P.O. E.  
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee \$  
Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$  
Postage \$  
Total Postage and Fees \$

Postmark Here

Sent To Shirley McGelchey  
3320 Avenue J  
Bay City, Texas 77414  
Street and Apt. No., or P.O. E.  
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Shirley McGelchey  
3320 Avenue J  
Bay City, Texas 77414



9590 9402 4582 8278 5879 69

2. AI 7018 3090 0001 4742 7267

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery 11/26/19

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Return Receipt for Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Article Delivery

(over \$500)

Domestic Return Receipt



**SENDER: COMPLETE THIS SECTION**

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Dorado Petroleum, LLC  
6000 Western Place, Suite 120  
Fort Worth, Texas 76107

2. Article Addressed to:

7018 3090 0001 4742 7243

PS Form 3811, July 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Certified Mail®  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Restricted Delivery

Domestic Return Receipt

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postmark Here

Total Postage and Fees \$

Sent To Dorado Petroleum, LLC  
6000 Western Place, Suite 120  
Fort Worth, Texas 76107

Street and Apt. No., or P.O. Box, or P.O. Box  
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
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For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postmark Here

Total Postage and Fees \$

Sent To Kane Resources, LLC  
P.O. Box 471096  
Fort Worth, Texas 76147

Street and Apt. No., or P.O. Box, or P.O. Box  
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kane Resources, LLC  
P.O. Box 471096  
Fort Worth, Texas 76147

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Certified Mail®  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Restricted Delivery

Domestic Return Receipt

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Estate of Gladys Anne Krontz  
Shirley McGehearty, Independent Administrator  
3320 Avenue J  
Bay City, Texas 77414



9590 9402 4582 8278 5879 52

2. Article Number (Transfer from carrier label)

7018 3090 0001 4742 7274

PS Form 3811, July 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature ☒ Agent  
☒ Addressee  
B. Received by (Printed Name) Shirley McGehearty  
C. Date of Delivery 11/26/19  
D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Restricted Delivery  
☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postage

Postmark  
Here

Total Postage and Fees

Sent To The Estate of Gladys Anne Krontz  
Shirley McGehearty, Independent Administrator  
3320 Avenue J  
Street and Apt. No., Bay City, Texas 77414  
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0003918297

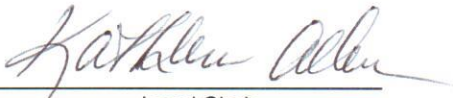
This is not an invoice

**JAMES BRUCE ATTORNEY AT LAW**  
POBOX 1056

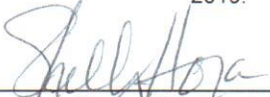
**SANTA FE, NM 87504**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

**November 26, 2019**

  
Legal Clerk

Subscribed and sworn before me this November 26,  
2019:

  
State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

SHELLY HORA  
Notary Public  
State of Wisconsin

Ad # 0003918297

PO #: 3918297

# of Affidavits : 1

This is not an invoice

### NOTICE

To: Donna Bliven, Dorado Petroleum, LLC, Kane Resources, LLC, Gladys Anne Koontz, and Shirley McGehearty (individually and as Independent Administrator of the Estate of Gladys Anne Koontz), or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 20975) seeking an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2NE/4 of Section 29 and the N/2N/2 of Section 28, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the Pavo Frio 29/28 B3BA Fed. Com. Well No. 1H, with a first take point in the NW/4NE/4 of Section 29 and a final take point in the NE/4NE/4 of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The application is scheduled to be heard at 8:15 a.m. on Thursday, December 12, 2019 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well unit you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 9-1/2 miles southwest of Loco Hills, New Mexico.  
Pub: November 26, 2019 Current-Argus #3918297

EXHIBIT

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