

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

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

**CASE NO. 21156  
ORDER NO. R-21292-A**

**FIRST AMENDMENT TO ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD") issues this order to amend Exhibit A.

1. Exhibit A is amended to reflect the correct Exhibit A attached hereto.
2. The remaining paragraphs of the Order remain in force and effect.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



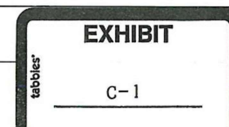
**ADRIENNE SANDOVAL  
DIRECTOR**

AES/jag

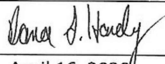
**Date: 4/30/2020**

## Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case:</b>	<b>21156</b>
<b>Date</b>	<b>April 16, 2020</b>
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744
Applicant's Counsel:	Dana Hardy
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Inland 26/23 B2OJ State Com. Well No. 1H
<b>Formation/Pool</b>	
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:	GRAMA RIDGE;BONE SPRING, NE/Pool Code 28435
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	W/2E/2 §26 and W/2SE/4 §23-21S-34E, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibits A-3 and A-5
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Inland 26/23 B2OJ State Com. Well No. 1H API No. 30-025-46931 SHL: 205 FSL & 1250 FEL §26 BHL: 2540 FSL & 1980 FEL §23 Second Bone Spring Sand Standup Standard
Horizontal Well First and Last Take Points	FTP: 100 FSL & 1980 FEL §26 LTP: 2541 FSL & 1980 FEL §23



Completion Target (Formation, TVD and MD)	2 <sup>ND</sup> Bone Spring Sand/TVD 10381 feet/MD 17772 feet
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8000 – Exhibit A
Production Supervision/Month \$	\$800 – Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	Cost + 200% - Exhibit A
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-9
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-10
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-11
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-5
Unlocatable Parties to be Pooled	Not applicable
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners ( <i>i.e.</i> Exhibit A of JOA)	Exhibit A-8
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibit A-6
Cost Estimate to Drill and Complete	Exhibit A-12
Cost Estimate to Equip Well	Exhibit A-12
Cost Estimate for Production Facilities	Exhibit A-12
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, Bone Spring
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Not Applicable
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3, A-4
General Location Map (including basin)	Exhibit A-1
Well Bore Location Map	Exhibits B-1, B-2, B-3

Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana Hardy
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	April 16, 2020