

CASE NOS. 21219 and 21220

**APPLICATIONS OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO**

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

1. Landman's Affidavit
2. Geologist's Affidavit
3. Engineer's Affidavit

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

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21219

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21220

VERIFIED STATEMENT OF MITCH ROBB

Mitch Robb, 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 land information involved in these cases is set forth below:

(a) Mewbourne has permitted wells in the Wolfcamp formation in the S/2 of Section 6, Township 25 South, Range 28 East, N.M.P.M. Mewbourne owns 100% of the working interest in the S/2 of Section 6. **Exhibit 1-A.** Mewbourne's approved APDs are marked as **Exhibit 1-B.**

(b) The N/2 of Section 6 is subject to a Joint Operating Agreement ("JOA"). **Exhibit 1-C.** Under that JOA Mewbourne has proposed four Wolfcamp wells. The AFEs for the wells are marked as **Exhibit 1-D.**

(c) A plat showing land ownership on Section 6 is marked as **Exhibit 1-E.** As a result of the foregoing, all of Section 6 is subject to voluntary development agreements and can be independently developed.

3. The chronology of contacts between the parties is as follows

(a) Between July 1 and July 17, 2019, Mewbourne and Devon Energy Production Company, L.P. ("Devon") completed a trade whereby Mewbourne acquired Devon's interest in all of Section 6, Township 25 South, Range 28 East, N.M.P.M., effective June 1, 2019 as to the S/2 of Section 6 and July 1, 2019 as to the N/2 of Section 6.

(b) Between August 1 and August 5, 2019, COG and Mewbourne completed a trade whereby COG acquired all of Mewbourne's interest in the N/2 of Section 6 and the W/2

EXHIBIT

1

2

of Section 7, Township 25 South, Range 28 East, N.M.P.M. The effective date of the agreement was June 1, 2019

(c) Multiple trade offers were proposed by the Parties, initiated by Mewbourne, between August 2019 and June 2020, all of which included Mewbourne's interest in Section 6. Two of the trade proposals received preliminary approval between both parties but were later declined due to COG's internal policies.

(d) On January 23, 2020, COG sent well proposals and AFEs to working interest owners, including Mewbourne, for its Scout State wells in Sections 6, 7, and 18. COG then filed compulsory pooling applications for the subject wells on March 3, 2020.

(e) On January 28, 2020, Mewbourne filed permits for its Pothole wells in the Wolfcamp formation in the S/2 of Section 6, Township 25 South, Range 28 East, N.M.P.M.

(f) On March 2, 2020, COG sent an email outlining potential terms to be included in a letter agreement. Mewbourne replied to the email on March 3, 2020, agreeing to some of the terms and adding in comments/suggested revisions on others. Mewbourne never received a reply.

(g) On June 17, 2020, Mewbourne sent well proposals and AFEs to working interest owners, including COG, for its Devon Fee wells in the N/2 of Section 6 under the existing JOA.

4. Mewbourne has been working with COG since August 2019 to resolve their differences in this area. Despite ongoing discussions, COG proposed its wells in late January 2020. On March 3, 2020, in an effort to show good faith, Mewbourne informed COG by e-mail that it would not commence operations earlier than May 1, 2020 so long as the parties were working toward a resolution of their differences. See e-mail from Corey Mitchell of Mewbourne to Sean Johnson of COG, marked as **Exhibit 1-F**. As of this date Mewbourne has not commenced operations on its wells.

5. There will be no stranded acreage in Sections 6, 7, and 18. As shown on **Exhibits 1-B and 1-D**, Mewbourne has proposed one mile Wolfcamp wells in Section 6, resulting in two mile units for COG wells comprised of Sections 7 and 18. These are all standard units in the Purple Sage-Wolfcamp Gas Pool, which will protect the correlative rights of all interest owners. There are no surface use restrictions which would prevent COG from locating its two mile wells on the north edge of Section 7, and drilling through Section 18.

6. In short, Mewbourne simply desires its acreage to be developed independently of COG's acreage to the south of Section 6.

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

8. Denying COG's applications is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS

)
) ss.
)

COUNTY OF MIDLAND

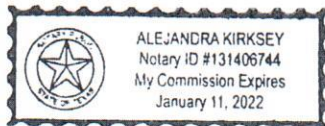
Mitch Robb, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge,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


Mitch Robb

SUBSCRIBED AND SWORN TO before me this 18th day of June, 2020 by Mitch Robb.

My Commission Expires: Jan, 14th 2022

Andre Kirksey
Notary Public



ATTACHMENT

1-A

2019 1-Mile
HZ Completions

Mewbourne
Owns N2 40%

Mewbourne
Owns S2 100%

Mewbourne
Pothole Proposals

COG
Scout Proposals

COG has Ownership

Mewbourne has
Ownership

COG & Mewbourne
have Ownership

Mewbourne Pothole
Proposed Unit

COG Scout
Proposed Unit

Proposed Well

Active Operator

Drilled Well



Mewbourne Oil Company

COG Scout/Mewbourne Pothole
Well Proposals

25S 28E	25S 28E	25S 28E
25S 28E	25S 28E	25S 28E

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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 Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 277645

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
4. Property Code 327162		3. API Number 30-015-46743
5. Property Name POTHOLE 6 WIMP FEE		6. Well No. 002H

7. Surface Location									
UL - Lot I	Section 6	Township 25S	Range 26E	Lot Idn I	Feet From 1820	N/S Line S	Feet From 205	E/W Line E	County Eddy

8. Proposed Bottom Hole Location									
UL - Lot M	Section 6	Township 25S	Range 28E	Lot Idn 7	Feet From 330	N/S Line S	Feet From 330	E/W Line W	County Eddy

9. Pool Information	
PURPLE SAGE WOLFCAMP (GAS)	98220

Additional Well Information				
11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14245	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9675	845	2200
Liner1	6.125	4.5	13.5	14245	215	8975

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature: Printed Name: Electronically filed by Monty Whetstone		OIL CONSERVATION DIVISION	
Title: Vice President Operations	Approved By: Raymond Podany		
Email Address: prodmgr@mewbourne.com	Title: Geologist		
Date: 1/28/2020	Approved Date: 2/13/2020	Expiration Date: 2/13/2022	
Phone: 903-561-2900		Conditions of Approval Attached	

ATTACHMENT

1-B

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

1 API Number		2 Pool Code 98220		3 Pool Name PURPLE SAGE; WOLFCAMP GAS POOL	
4 Property Code		5 Property Name POTHOLE 6 WIMP FEE			6 Well Number 2H
7 GRID NO. 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3027'

10 Surface Location

UL or lot no. I	Section 6	Township 25S	Range 28E	Lot Idn	Feet from the 1820	North-South line SOUTH	Feet from the 205	East-West line EAST	County EDDY
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11 Bottom Hole Location If Different From Surface

UL or lot no. 7	Section 6	Township 25S	Range 28E	Lot Idn	Feet from the 330	North-South line SOUTH	Feet from the 330	East-West line WEST	County EDDY
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12 Dedicated Acres 321.55	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

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S 89°55'15" E 5355.44'

LOT 4

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N 420886.8 - E 607661.6
LAT: 32.1569146° N
LONG: 104.1190107° W

BOTTOM HOLE
N 419397.7 - E 602857.7
LAT: 32.1528465° N
LONG: 104.1344464° W

LOT 3

LOT 2

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1940"
N 419070.0 - E 602558.5

B: FOUND BRASS CAP "1940"
N 421727.4 - E 602552.2

C: FOUND BRASS CAP "1940"
N 424385.7 - E 602546.9

D: FOUND BRASS CAP "1940"
N 424378.3 - E 607901.1

E: FOUND BRASS CAP "1940"
N 421701.4 - E 607874.5

F: FOUND BRASS CAP "1940"
N 419036.1 - E 607848.7

G: FOUND BRASS CAP "1940"
N 419052.2 - E 605214.2

LOT 1

17 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 undivided 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.

1-27-20

Signature
BRADLEY BISHOP

Printed Name
BBISHOP@MEWBOURNE.COM

E-mail Address

18 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.

1-26-2020

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number

Job No.: LS20010055

District I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

District II
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District III
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Phone (505) 334-6178 Fax (505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3470 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 277647

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
		3. API Number 30-015-46742
4. Property Code 327161	5. Property Name POTHOLE 6 WILL FEE	
		6. Well No. 002H

7. Surface Location									
UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1880	N/S Line S	Feet From 205	E/W Line E	County Eddy

8. Proposed Bottom Hole Location									
UL - Lot L	Section 6	Township 25S	Range 28E	Lot Idn 6	Feet From 1650	N/S Line S	Feet From 330	E/W Line W	County Eddy

9. Pool Information	
98220	98220

Additional Well Information				
11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14170	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/lft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9600	835	2200
Liner1	6.125	4.5	13.5	14170	215	8900

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: _____ Printed Name: Electronically filed by Monty Whetstone Title: Vice President Operations Email Address: prodmgr@mewbourne.com Date: 1/28/2020 Phone: 903-561-2900		OIL CONSERVATION DIVISION Approved By: Raymond Podany Title: Geologist Approved Date: 2/13/2020 Expiration Date: 2/13/2022 Conditions of Approval Attached
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District I
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District IV
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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

1 API Number		2 Pool Code 98220		3 Pool Name PURPLE SAGE; WOLFCAMP GAS POOL	
4 Property Code		5 Property Name POTHOLE 6 WILL FEE			6 Well Number 2H
7 GRID NO 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3027'

10 Surface Location

U/L or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	6	25S	28E		1880	SOUTH	205	EAST	EDDY

11 Bottom Hole Location If Different From Surface

U/L or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
6	6	25S	28E		1650	SOUTH	330	WEST	EDDY

12 Dedicated Acres 321.55	13 Joint or Infill	14 Consolidation Code	15 Order No
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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.

<p>LOT 4</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N 420916.8 - E 607661.9</p> <p>LAT: 32.1569971° N LONG: 104.1190095° W</p> <p>BOTTOM HOLE N 420717.4 - E 602884.5</p> <p>LAT: 32.1564743° N LONG: 104.1344486° W</p> <p>LOT 5</p>		<p>LOT 3</p> <p>LOT 2</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1940" N 419070.0 - E 602556.5</p> <p>B: FOUND BRASS CAP "1940" N 421727.4 - E 602552.2</p> <p>C: FOUND BRASS CAP "1940" N 424385.7 - E 602546.9</p> <p>D: FOUND BRASS CAP "1940" N 424376.3 - E 607901.1</p> <p>E: FOUND BRASS CAP "1940" N 421701.4 - E 607874.5</p> <p>F: FOUND BRASS CAP "1940" N 419036.1 - E 607848.7</p> <p>G: FOUND BRASS CAP "1940" N 419052.2 - E 605214.2</p> <p>LOT 1</p>		<p>13 OPERATOR CERTIFICATION</p> <p>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 an undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well in 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.</p> <p>Signature: <u>BRADLEY BISHOP</u> Date: <u>1-27-20</u></p> <p>Printed Name: <u>BRADLEY BISHOP</u></p> <p>Email Address: <u>BBISHOP@MEWBOURNE.COM</u></p>
<p>LOT 6 (40.81 Ac.)</p> <p>330'</p> <p>B.H.</p> <p>LOT 7 (40.74 Ac.)</p> <p>1650'</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p>		<p>14 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: <u>1-26-2020</u></p> <p>Signature and Seal of Professional Surveyor: <u>ROBERT M. HOWETT</u></p> <p>19680</p> <p>Certificate Number: <u>19680</u></p>		

Job No.: LS20010053

9

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit: 277646

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
		3. API Number 30-015-46673
4. Property Code 327090	5. Property Name POT HOLE 6 WOMP FEE	6. Well No. 001H

7. Surface Location									
UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1850	N/S Line S	Feet From 205	E/W Line E	County Eddy

8. Proposed Bottom Hole Location									
UL - Lot M	Section 6	Township 25S	Range 28E	Lot Idn 7	Feet From 990	N/S Line S	Feet From 330	E/W Line W	County Eddy

9. Pool Information	
PURPLE SAGE WOLF CAMP (GAS)	98220

Additional Well Information				
11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14100	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

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Liner1	6.125	4.5	13.5	14100	215	8875

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.		OIL CONSERVATION DIVISION	
Signature:			
Printed Name:	Electronically filed by Monty Whetstone	Approved By:	Raymond Podany
Title:	Vice President Operations	Title:	Geologist
Email Address:	prodmgr@mewbourne.com	Approved Date:	2/13/2020
Date:	1/28/2020	Expiration Date:	2/13/2022
Phone: 903-561-2900		Conditions of Approval Attached	

10

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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

1 API Number		2 Pool Code		3 Pool Name	
		98220		PURPLE SAGE; WOLFCAMP GAS POOL	
4 Property Code		5 Property Name			6 Well Number
		POTHOLE 6 WOMP FEE			1H
7 GRID NO		8 Operator Name			9 Elevation
14744		MEWBOURNE OIL COMPANY			3027'

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	6	25S	28E		1850	SOUTH	205	EAST	EDDY

11 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
7	6	25S	28E		990	SOUTH	330	WEST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
321.55			

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.

<p>LOT 4</p> <p>GEODETIC DATA</p> <p>NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION</p> <p>N 420886.8 - E 60766.6</p> <p>LAT. 32.1569148° N</p> <p>LONG. 104.130107° W</p> <p>BOTTOM HOLE</p> <p>N 420057.6 - E 602886.1</p> <p>LAT. 32.1546604° N</p> <p>LONG. 104.1344474° W</p> <p>LOT 5</p>		<p>LOT 2</p> <p>CORNER DATA</p> <p>NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1940"</p> <p>N 419070.0 - E 602558.5</p> <p>D: FOUND BRASS CAP "1940"</p> <p>N 421727.4 - E 602552.2</p> <p>C: FOUND BRASS CAP "1940"</p> <p>N 424355.7 - E 602545.9</p> <p>D: FOUND BRASS CAP "1940"</p> <p>N 424378.3 - E 60790.1</p> <p>E: FOUND BRASS CAP "1940"</p> <p>N 421701.4 - E 607874.5</p> <p>F: FOUND BRASS CAP "1940"</p> <p>N 419036.1 - E 607848.7</p> <p>G: FOUND BRASS CAP "1940"</p> <p>N 419052.2 - E 605214.2</p>		<p>LOT 1</p>	
<p>LOT 6</p> <p>(40.81 Ac.)</p> <p>330'</p> <p>B.H.</p> <p>LOT 7</p> <p>(40.74 Ac.)</p> <p>990'</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p> <p>205'</p> <p>S.L.</p> <p>1850'</p> <p>N 89°36'53" W 2655.31'</p> <p>N 89°38'58" W 2635.24'</p>		<p>10 OPERATOR CERTIFICATION</p> <p>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 undivided 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.</p> <p>Signature: <u>BRADLEY BISHOP</u> Date: <u>1-27-20</u></p> <p>Printed Name: <u>BRADLEY BISHOP</u></p> <p>E-mail Address: <u>BBISHOP@MEWBOURNE.COM</u></p>		<p>11 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: <u>1-26-2020</u></p> <p>Signature and Seal of Surveyor: <u>ROBERT M. HOWETT</u></p> <p>19680</p> <p>Certificate Number: <u>19680</u></p>	

Job No.: LS20010054

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) 748-0720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3470 Fax: (505) 476-3402

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 277650

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MEWBOURNE OIL CO P.O. Box 5270 Hobbs, NM 88241		2. OGRID Number 14744
		3. API Number 30-015-46741
4. Property Code 327160	5. Property Name POTHOLE 6 WOLF FEE	
		6. Well No. 001H

7. Surface Location									
UL - Lot I	Section 6	Township 25S	Range 28E	Lot Idn I	Feet From 1910	N/S Line S	Feet From 205	E/W Line E	County Eddy

8. Proposed Bottom Hole Location									
UL - Lot L	Section 6	Township 25S	Range 28E	Lot Idn 6	Feet From 2310	N/S Line S	Feet From 330	E/W Line W	County Eddy

9. Pool Information	
PURPLE SAGE WOLF CAMP (GAS)	98220

Additional Well Information				
11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3027
16. Multiple N	17. Proposed Depth 14070	18. Formation Wolfcamp	19. Contractor	20. Spud Date 2/27/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	405	0
Int1	12.25	9.625	36	2400	540	0
Prod	8.75	7	26	9595	835	2200
Liner1	6.125	4.5	13.5	14070	215	8845

Casing/Cement Program: Additional Comments

MOC proposed to drill & test the Wolfcamp formation. H2S rule 118 does not apply because MOC has researched the area & no high concentrations were found. Will have on location & working all H2S safety equipment before Yates formation for safety & insurance purposes. Will stimulate as needed for production.

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Schaffer
Double Ram	5000	5000	Schaffer
Annular	5000	2500	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature: Printed Name: Electronically filed by Monty Whetstone Title: Vice President Operations Email Address: prodmgr@mewbourne.com Date: 1/28/2020		OIL CONSERVATION DIVISION Approved By: Raymond Podany Title: Geologist Approved Date: 2/13/2020 Conditions of Approval Attached: Expiration Date: 2/13/2022	
Phone: 903-561-2900			

12

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6151 Fax: (575) 393-0720
District II
611 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

1 API Number		2 Pool Code 98220		3 Pool Name PURPLE SAGE; WOLFCAMP GAS POOL	
4 Property Code		5 Property Name POTHOLE 6 WOLI FEE			6 Well Number 1H
7 GRID NO 14744		8 Operator Name MEWBOURNE OIL COMPANY			9 Elevation 3027'

10 Surface Location

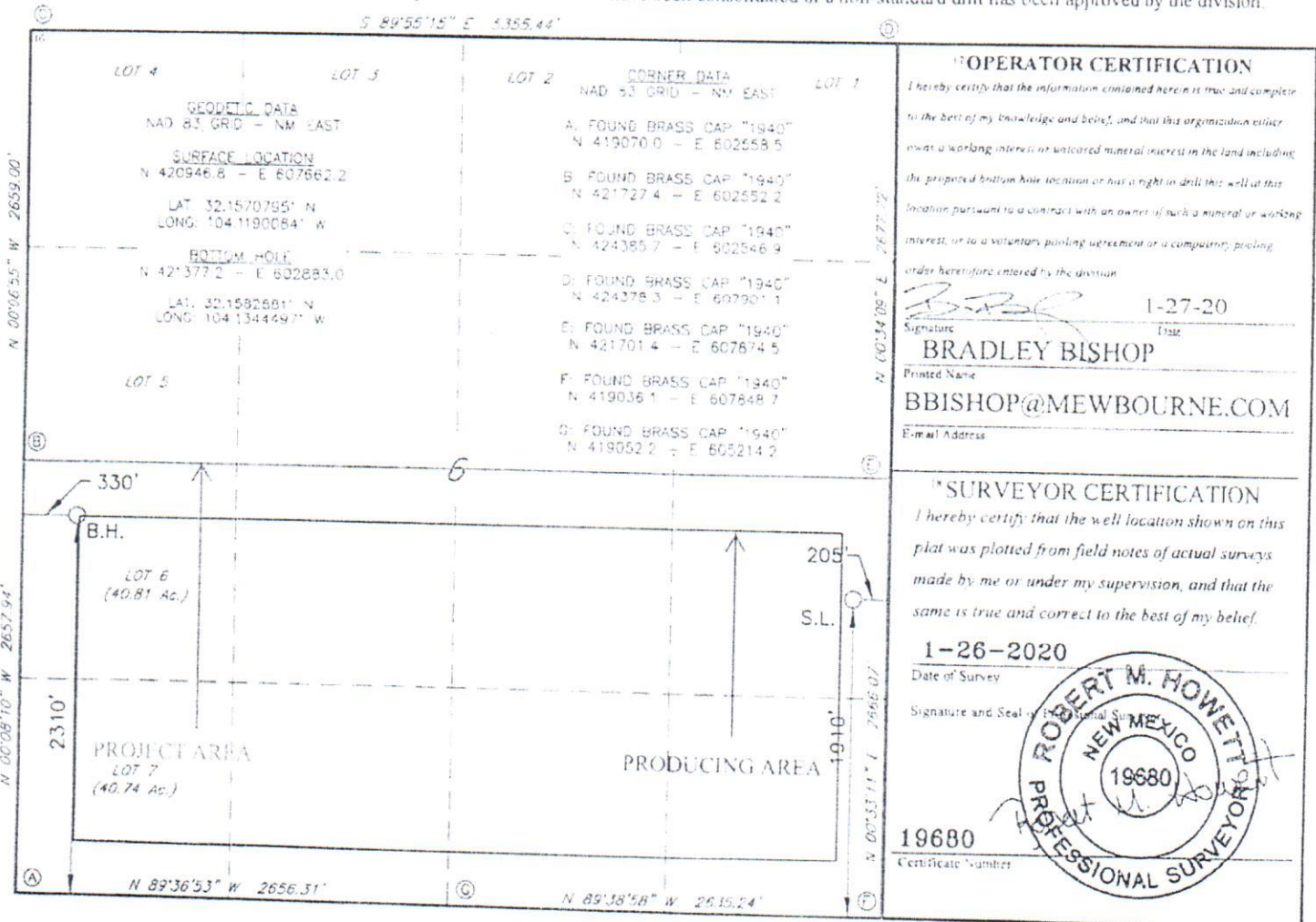
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
I	6	25S	28E		1910	SOUTH	205	EAST	EDDY

11 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
6	6	25S	28E		2310	SOUTH	330	WEST	EDDY

12 Dedicated Acres 321.56	13 Joint or Infill	14 Consolidation Code	15 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.



A.A.P.L. FORM 610-1982

MODEL FORM OPERATING AGREEMENT

OPERATING AGREEMENT

DATED

February 15 , 2005 ,
year

OPERATOR Occidental Permian Ltd.

CONTRACT AREA See Exhibit "A"

COUNTY OR PARISH OF Eddy STATE OF New Mexico

COPYRIGHT 1982 - ALL RIGHTS RESERVED
AMERICAN ASSOCIATION OF PETROLEUM
LANDMEN, 4100 FOSSIL CREEK BLVD., FORT
WORTH, TEXAS, 76137-2791, APPROVED
FORM. A.A.P.L. NO. 610 - 1982 REVISED

ATTACHMENT

1-C

OPERATING AGREEMENT

THIS AGREEMENT, entered into by and between Occidental Petroleum Ltd.

hereinafter designated and referred to as "Operator", and the signatory party or parties other than Operator, sometimes hereinafter referred to individually herein as "Non-Operator", and collectively as "Non-Operators".

WITNESSETH:

WHEREAS, the parties to this agreement are owners of oil and gas leases and/or oil and gas interests in the land identified in Exhibit "A", and the parties hereto have reached an agreement to explore and develop these leases and/or oil and gas interests for the production of oil and gas to the extent and as hereinafter provided,

NOW, THEREFORE, it is agreed as follows:

ARTICLE I.
DEFINITIONS

As used in this agreement, the following words and terms shall have the meanings here ascribed to them:

A. The term "oil and gas" shall mean oil, gas, casinghead gas, gas condensate, and all other liquid or gaseous hydrocarbons and other marketable substances produced therewith, unless an intent to limit the inclusiveness of this term is specifically stated.

B. The terms "oil and gas lease", "lease" and "leasehold" shall mean the oil and gas leases covering tracts of land lying within the Contract Area which are owned by the parties to this agreement.

C. The term "oil and gas interests" shall mean unleased fee and mineral interests in tracts of land lying within the Contract Area which are owned by parties to this agreement.

D. The term "Contract Area" shall mean all of the lands, oil and gas leasehold interests and oil and gas interests intended to be developed and operated for oil and gas purposes under this agreement. Such lands, oil and gas leasehold interests and oil and gas interests are described in Exhibit "A".

E. The term "drilling unit" shall mean the area fixed for the drilling of one well by order or rule of any state or federal body having authority. If a drilling unit is not fixed by any such rule or order, a drilling unit shall be the drilling unit as established by the pattern of drilling in the Contract Area or as fixed by express agreement of the Drilling Parties.

F. The term "drill site" shall mean the oil and gas lease or interest on which a proposed well is to be located.

G. The terms "Drilling Party" and "Consenting Party" shall mean a party who agrees to join in and pay its share of the cost of any operation conducted under the provisions of this agreement.

H. The terms "Non-Drilling Party" and "Non-Consenting Party" shall mean a party who elects not to participate in a proposed operation.

Unless the context otherwise clearly indicates, words used in the singular include the plural, the plural includes the singular, and the neuter gender includes the masculine and the feminine.

ARTICLE II.
EXHIBITS

The following exhibits, as indicated below and attached hereto, are incorporated in and made a part hereof:

A. Exhibit "A", shall include the following information:

- (1) Identification of lands subject to this agreement,
- (2) Restrictions, if any, as to depths, formations, or substances,
- (3) Percentages or fractional interests of parties to this agreement,
- (4) Oil and gas leases and/or oil and gas interests subject to this agreement,
- (5) Addresses of parties for notice purposes.

B. Exhibit "B", Form of Lease.

C. Exhibit "C", Accounting Procedure.

D. Exhibit "D", Insurance.

E. Exhibit "E", Gas Balancing Agreement.

F. Exhibit "F", Non-Discrimination and Certification of Non-Segregated Facilities.

G. Exhibit "G", Tax Partnership.

If any provision of any exhibit, except Exhibits "E" and "G", is inconsistent with any provision contained in the body of this agreement, the provisions in the body of this agreement shall prevail.

000484

A.A.P.L. FORM 610 - MODEL FORM OPERATING AGREEMENT - 1982

ARTICLE XVI.
MISCELLANEOUS

This agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective heirs, devisees, legal representatives, successors and assigns.

This instrument may be executed in any number of counterparts, each of which shall be considered an original for all purposes.

IN WITNESS WHEREOF, this agreement shall be effective as of _____ day of _____, (year) _____.

who has prepared and circulated this form for execution, represents and warrants that the form was printed from and ~~with the exception listed below~~, is identical to the AAPL Form 610-1982 Model Form Operating Agreement, as published in diskette form by Forms On-A-Disk, Inc. ~~No changes, alterations, or modifications, other than those in Articles _____, have been made to the form.~~

OPERATOR

OCCIDENTAL PERMIAN ~~LLP~~ ^{LLP} ~~General Partner~~
By: ~~Occidental Permian Manager LLC, General Partner~~
[Signature]
Stephen S. Flynn, Attorney-in-Fact *SS*

NON-OPERATORS

DEVON ENERGY PRODUCTION COMPANY, L.P.

[Signature]
Vice President

EXHIBIT "A"
REVISED June 13, 2005

Attached to that certain Operating Agreement dated February 15, 2005,
by and between Occidental Permian Ltd., as Operator,
and Devon Energy Production Company, L.P., as Non-Operator.

1. IDENTIFICATION OF LANDS SUBJECT TO THIS AGREEMENT:

All of Sections 1, 12 and 13-T25S-R27E
All of Sections 5, 6, 7, 8, 17 and 18-T25S-R28E
Eddy County, New Mexico

2. RESTRICTIONS, IF ANY, AS TO DEPTHS, FORMATIONS, OR SUBSTANCES:

None

3. PERCENTAGES OR FRACTIONAL INTERESTS AND ADDRESSES OF PARTIES TO THIS AGREEMENT:

Devon Energy Production Company, L.P. 20 North Broadway Oklahoma City, OK 73102	40.00%
Occidental Permian Ltd. P. O. Box 4294 Houston, TX 77210-4284	60.00%
	<u>100.00%</u>

4. OIL AND GAS LEASES AND OIL AND GAS INTERESTS SUBJECT TO THIS AGREEMENT:

A. Lease committed by Occidental Permian Ltd.

Lessor: Devon Energy Production Company, L.P.
Lessee: Occidental Permian Ltd.
Date: January 13, 2005
Expiration: January 13, 2008
Description: Township 25 South, Range 27 East
Section 1: E/2 SE/4
Section 13: NE/4; SE/4 NW/4

Township 25 South, Range 28 East
Section 5: SW/4
Section 6: N/2
Section 8: All
Section 17: SW/4; S/2 NW/4; SW/4 NE/4
Section 18: NW/4; SE/4

All in Eddy County, New Mexico

Lessor Royalty: 20%
Other Burdens: None

B. Oil and Gas Interest Committed by Devon Energy Production Company, L.P.

40% Unleased, undivided mineral interest covering the following:

Township 25 South, Range 27 East

Section 1: E/2 SE/4

Section 13: NE/4; SE/4 NW/4

Township 25 South, Range 28 East

Section 5: SW/4

Section 6: N/2

Section 8: All

Section 17: SW/4; S/2 NW/4; SW/4 NE/4

Section 18: NW/4; SE/4

All in Eddy County, New Mexico

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and Devon Energy Production Company, L.P., as Non-Operator.

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All of Sections 1, 12 and 13-T25S-R27E
All of Sections 5, 6, 7, 8, 17 and 18-T25S-R28E
Eddy County, New Mexico

2. RESTRICTIONS, IF ANY, AS TO DEPTHS, FORMATIONS, OR SUBSTANCES:

None

3. PERCENTAGES OR FRACTIONAL INTERESTS AND ADDRESSES OF PARTIES TO THIS AGREEMENT:

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Township 25 South, Range 28 East
Section 5: SW/4
Section 6: N/2
Section 8: All
Section 17: SW/4; S/2 NW/4; SW/4 NE/4
Section 18: NW/4; SE/4

All in Eddy County, New Mexico

Lessor Royalty: 20%
Other Burdens: None

B. Oil and Gas Interest Committed by Devon Energy Production Company, L.P.

40% Unleased, undivided mineral interest covering the following:

Township 25 South, Range 27 East

Section 1: E/2 SE/4

Section 13: NE/4; SW/4 NW/4

Township 25 South, Range 28 East

Section 5: SW/4

Section 6: N/2

Section 8: All

Section 17: SW/4; S/2 NW/4; SW/4 NE/4

Section 18: NW/4; SE/4

All in Eddy County, New Mexico

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: DEVON 6 W0HE FEE #1H		Prospect: DEVON FEE 6	
Location: SL: 700 FNL & 185 FEL; BHL: 1650 FNL & 330 FWL		County: Eddy ST: NM	
Sec. 6	Blk: 	Survey: 	TWP: 25S RNG: 28E Prop. TVD: 9245 TMD: 13885

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$10,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$20,000
Location / Restoration		0180-0106	\$175,000	0180-0206	\$38,000
Daywork / Turnkey / Footage Drilling 16 days drlg / 3 days comp @ \$19500/d		0180-0110	\$333,200	0180-0210	\$62,500
Fuel 1700 gal/day @ \$1.10/gal		0180-0114	\$32,000	0180-0214	\$98,000
Mud, Chemical & Additives		0180-0120	\$150,000	0180-0220	
Horizontal Drilling Services				0180-0222	\$120,000
Cementing		0180-0125	\$90,000	0180-0225	\$20,000
Logging & Wireline Services		0180-0130	\$2,500	0180-0230	\$296,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$80,000
Mud Logging		0180-0137	\$30,000		
Stimulation 38 Stg 11.4 MM gal / 11.4 MM lb				0180-0241	\$1,109,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$40,000	0180-0245	\$203,000
Bits		0180-0148	\$83,300	0180-0248	\$4,000
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	\$35,000
Welding Services		0180-0168	\$5,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$28,500	0180-0270	\$22,500
Directional Services Includes Vertical Control		0180-0175	\$175,000		
Equipment Rental		0180-0180	\$152,700	0180-0280	\$7,500
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$3,800	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$10,000
Damages		0180-0190	\$30,000	0180-0290	\$20,000
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$91,200	0180-0295	\$72,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$35,204	0180-0299	\$50,240
TOTAL			\$1,795,404		\$2,562,240

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 450' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$15,500		
Casing (8.1" - 10.0") 2400' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft		0181-0795	\$62,800		
Casing (6.1" - 8.0") 9590' - 7" 29# HCP-110 LT&C @ \$21.5/ft		0181-0796	\$220,190		
Casing (4.1" - 6.0") 5300' - 4 1/2" 13.5# P-110 BPN @ \$11.75/ft				0181-0797	\$66,500
Tubing 8840' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft				0181-0798	\$42,900
Drilling Head		0181-0860	\$40,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$47,000
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 pumps/VRU				0181-0886	\$32,000
Tanks - Oil 1/4 - 8 - 750 OT				0181-0890	\$40,000
Tanks - Water 1/4 - 6 - 750 WT				0181-0891	\$32,000
Separation / Treating Equipment 1/4-1000GB/3-36"x15x1000#/3-30x10x1000#/Flare/VRT				0181-0895	\$100,000
Heater Treaters, Line Heaters 8x20x75 HT				0181-0897	\$26,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering				0181-0900	\$15,000
Fittings / Valves & Accessories				0181-0906	\$90,000
Cathodic Protection inc. automation				0181-0908	\$58,000
Electrical Installation				0181-0909	\$38,000
Equipment Installation				0181-0910	\$50,000
Pipeline Construction				0181-0920	\$25,000
TOTAL			\$338,490		\$732,400
SUBTOTAL			\$2,133,894		\$3,294,640
TOTAL WELL COST			\$5,428,534		

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>T. Cude</u>	Date: <u>6/15/2020</u>
Company Approval: <u>M. White</u>	Date: <u>6/15/2020</u>
Joint Owner Interest: _____ Amount: _____	
Joint Owner Name: _____	Signature: _____

1-D

ATTACHMENT

2

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: **DEVON 6 W1AD FEE #2H** Prospect: **DEVON FEE 6**
 Location: **SL: 670 FNL & 185 FEL; BHL: 990 FNL & 330 FWL** County: **Eddy** ST: **NM**
 Sec. **6** Blk: Survey: TWP: **25S** RNG: **28E** Prop. TVD: **9370** TMD: **13970**

INTANGIBLE COSTS 0180			
Regulatory Permits & Surveys	CODE	TCP	CODE CC
Location / Road / Site / Preparation	0180-0100	\$10,000	0180-0200
Location / Restoration	0180-0105	\$50,000	0180-0205 \$20,000
Daywork / Turnkey / Footage Drilling 16 days drlg / 3 days comp @ \$19500/d	0180-0106	\$175,000	0180-0206 \$38,000
Fuel 1700 gal/day @ \$1.10/gal	0180-0110	\$333,200	0180-0210 \$62,500
Mud, Chemical & Additives	0180-0114	\$32,000	0180-0214 \$98,000
Horizontal Drillout Services	0180-0120	\$150,000	0180-0220
Cementing			0180-0222 \$120,000
Logging & Wireline Services	0180-0125	\$90,000	0180-0225 \$20,000
Casing / Tubing / Snubbing Service	0180-0130	\$2,500	0180-0230 \$296,000
Mud Logging	0180-0134	\$20,000	0180-0234 \$80,000
Stimulation 38 Stg 11.4 MM gal / 11.4 MM lb	0180-0137	\$30,000	
Stimulation Rentals & Other			0180-0241 \$1,109,000
Water & Other			0180-0242 \$200,000
Bits	0180-0145	\$40,000	0180-0245 \$203,000
Inspection & Repair Services	0180-0148	\$83,300	0180-0248 \$4,000
Misc. Air & Pumping Services	0180-0150	\$40,000	0180-0250 \$5,000
Testing & Flowback Services	0180-0154		0180-0254 \$10,000
Completion / Workover Rig	0180-0158	\$15,000	0180-0258 \$30,000
Rig Mobilization			0180-0260 \$10,500
Transportation	0180-0164	\$150,000	
Welding Services	0180-0165	\$30,000	0180-0265 \$35,000
Contract Services & Supervision	0180-0168	\$5,000	0180-0268 \$15,000
Directional Services Includes Vertical Control	0180-0170	\$28,500	0180-0270 \$22,500
Equipment Rental	0180-0175	\$175,000	
Well / Lease Legal	0180-0180	\$152,700	0180-0280 \$7,500
Well / Lease Insurance	0180-0184	\$5,000	0180-0284
Intangible Supplies	0180-0185	\$3,800	0180-0285
Damages	0180-0188	\$8,000	0180-0288 \$10,000
ROW & Easements	0180-0190	\$30,000	0180-0290 \$20,000
Pipeline Interconnect	0180-0192		0180-0292 \$4,000
Company Supervision			0180-0293
Overhead Fixed Rate	0180-0195	\$91,200	0180-0295 \$72,000
Well Abandonment	0180-0196	\$10,000	0180-0296 \$20,000
Contingencies 2% (TCP) 2% (CC)	0180-0198		0180-0298
	0180-0199	\$35,204	0180-0299 \$50,240
TOTAL		\$1,795,404	\$2,562,240
TANGIBLE COSTS 0181			
Casing (19.1" - 30")	0181-0793		
Casing (10.1" - 19.0") 450' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft	0181-0794	\$15,500	
Casing (8.1" - 10.0") 2400' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft	0181-0795	\$62,800	
Casing (6.1" - 8.0") 9740' - 7" 29# HCP-110 LT&C @ \$21.5/ft	0181-0796	\$223,600	
Casing (4.1" - 6.0") 5300' - 4 1/2" 13.5# P-110 BPN @ \$11.75/ft			0181-0797 \$66,500
Tubing 8990' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft			0181-0798 \$43,600
Drilling Head	0181-0860	\$40,000	
Tubing Head & Upper Section			0181-0870 \$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871 \$47,000
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 pumps/VRU			0181-0886 \$32,000
Tanks - Oil 1/4 - 8 - 750 OT			0181-0890 \$40,000
Tanks - Water 1/4 - 6 - 750 WT			0181-0891 \$32,000
Separation / Treating Equipment 1/4-1000GB/3-36"x15x1000#/3-30x10x1000#/Flare/VRT			0181-0895 \$100,000
Heater Treaters, Line Heaters 8x20x75 HT			0181-0897 \$26,000
Metering Equipment			0181-0898 \$15,000
Line Pipe & Valves - Gathering			0181-0900 \$15,000
Fittings / Valves & Accessories			0181-0906 \$90,000
Cathodic Protection inc. automation			0181-0908 \$58,000
Electrical Installation			0181-0909 \$38,000
Equipment Installation			0181-0910 \$50,000
Pipeline Construction			0181-0920 \$25,000
TOTAL		\$341,900	\$733,100
SUBTOTAL		\$2,137,304	\$3,295,340
TOTAL WELL COST		\$5,432,644	

Extra Expense Insurance

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

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

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

Prepared by: T. Cude Date: 6/15/2020

Company Approval: M. White Date: 6/15/2020

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: DEVON 6 W0AD FEE #1H Prospect: DEVON FEE 6
 Location: SL: 640 FNL & 185 FEL; BHL: 330 FNL & 330 FWL County: Eddy ST: NM
 Sec. 6 Blk: Survey: TWP: 25S RNG: 28E Prop. TVD: 9245 TMD: 13885

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$10,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$50,000	0180-0205	\$20,000
Location / Restoration		0180-0106	\$175,000	0180-0206	\$38,000
Daywork / Turnkey / Footage Drilling	16 days drlg / 3 days comp @ \$19500/d	0180-0110	\$333,200	0180-0210	\$62,500
Fuel	1700 gal/day @ \$1.10/gal	0180-0114	\$32,000	0180-0214	\$98,000
Mud, Chemical & Additives		0180-0120	\$150,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$120,000
Cementing		0180-0125	\$90,000	0180-0225	\$20,000
Logging & Wireline Services		0180-0130	\$2,500	0180-0230	\$296,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$80,000
Mud Logging		0180-0137	\$30,000		
Stimulation	38 Stg 11.4 MM gal / 11.4 MM lb			0180-0241	\$1,109,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$40,000	0180-0245	\$203,000
Bits		0180-0148	\$83,300	0180-0248	\$4,000
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	\$35,000
Welding Services		0180-0168	\$5,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$28,500	0180-0270	\$22,500
Directional Services	Includes Vertical Control	0180-0175	\$175,000		
Equipment Rental		0180-0180	\$152,700	0180-0280	\$7,500
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$3,800	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$10,000
Damages		0180-0190	\$30,000	0180-0290	\$20,000
ROW & Easements		0180-0192		0180-0292	\$4,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$91,200	0180-0295	\$72,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	2% (TCP) 2% (CC)	0180-0199	\$35,204	0180-0299	\$50,240
TOTAL			\$1,795,404		\$2,562,240
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	450' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft	0181-0794	\$15,500		
Casing (8.1" - 10.0")	2400' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft	0181-0795	\$62,800		
Casing (6.1" - 8.0")	9590' - 7" 29# HCP-110 LT&C @ \$21.5/ft	0181-0796	\$220,190		
Casing (4.1" - 6.0")	5300' - 4 1/2" 13.5# P-110 BPN @ \$11.75/ft			0181-0797	\$66,500
Tubing	8840' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft			0181-0798	\$42,900
Drilling Head		0181-0860	\$40,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$47,000
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	pumps/VRU			0181-0886	\$32,000
Tanks - Oil	1/4 - 8 - 750 OT			0181-0890	\$40,000
Tanks - Water	1/4 - 6 - 750 WT			0181-0891	\$32,000
Separation / Treating Equipment	1/4-1000GB/3-36"x15x1000#/3-30x10x1000#/Flare/VRT			0181-0895	\$100,000
Heater Treaters, Line Heaters	8x20x75 HT			0181-0897	\$26,000
Metering Equipment				0181-0898	\$15,000
Line Pipe & Valves - Gathering				0181-0900	\$15,000
Fittings / Valves & Accessories				0181-0906	\$90,000
Cathodic Protection	inc. automation			0181-0908	\$58,000
Electrical Installation				0181-0909	\$38,000
Equipment Installation				0181-0910	\$50,000
Pipeline Construction				0181-0920	\$25,000
TOTAL			\$338,490		\$732,400
SUBTOTAL			\$2,133,894		\$3,294,640
TOTAL WELL COST					\$5,428,534

Extra Expense Insurance

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

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

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

Prepared by: T. Cude Date: 6/15/2020

Company Approval: M. Whittier Date: 6/15/2020

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

23

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: DEVON 6 W1HE FEE #2H

Prospect: DEVON FEE 6

Location: SL: 730 FNL & 185 FEL; BHL: 2310 FNL & 330 FWL

County: Eddy

ST: NM

Sec. 6

Blk:

Survey:

TWP: 25S

RNG: 28E

Prop. TVD: 9370

TMD: 14000

INTANGIBLE COSTS 0180

	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$10,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$50,000	0180-0205	\$20,000
Location / Restoration	0180-0106	\$175,000	0180-0206	\$38,000
Daywork / Turnkey / Footage Drilling 16 days drlg / 3 days comp @ \$19500/d	0180-0110	\$333,200	0180-0210	\$62,500
Fuel 1700 gal/day @ \$1.10/gal	0180-0114	\$32,000	0180-0214	\$98,000
Mud, Chemical & Additives	0180-0120	\$150,000	0180-0220	
Horizontal Drillout Services			0180-0222	\$120,000
Cementing	0180-0125	\$90,000	0180-0225	\$20,000
Logging & Wireline Services	0180-0130	\$2,500	0180-0230	\$296,000
Casing / Tubing / Snubbing Service	0180-0134	\$20,000	0180-0234	\$80,000
Mud Logging	0180-0137	\$30,000		
Stimulation 38 Stg 11.4 MM gal / 11.4 MM lb			0180-0241	\$1,109,000
Stimulation Rentals & Other			0180-0242	\$200,000
Water & Other	0180-0145	\$40,000	0180-0245	\$203,000
Bits	0180-0148	\$83,300	0180-0248	\$4,000
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	\$35,000
Welding Services	0180-0168	\$5,000	0180-0268	\$15,000
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Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$3,800	0180-0285	
Intangible Supplies	0180-0188	\$8,000	0180-0288	\$10,000
Damages	0180-0190	\$30,000	0180-0290	\$20,000
ROW & Easements	0180-0192		0180-0292	\$4,000
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$91,200	0180-0295	\$72,000
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment	0180-0198		0180-0298	
Contingencies 2% (TCP) 2% (CC)	0180-0199	\$35,204	0180-0299	\$50,240
TOTAL		\$1,795,404		\$2,562,240

TANGIBLE COSTS 0181

Casing (19.1" - 30")		0181-0793		
Casing (10.1" - 19.0") 450' - 13 3/8" 54.5# J-55 ST&C @ \$32.16/ft		0181-0794	\$15,500	
Casing (8.1" - 10.0") 2400' - 9 5/8" 40# N-80 LT&C @ \$24.48/ft		0181-0795	\$62,800	
Casing (6.1" - 8.0") 9790' - 7" 29# HCP-110 LT&C @ \$21.5/ft		0181-0796	\$224,000	
Casing (4.1" - 6.0") 5400' - 4 1/2" 13.5# P-110 BPN @ \$11.75/ft				0181-0797 \$66,500
Tubing 9000' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/ft				0181-0798 \$43,700
Drilling Head	0181-0860	\$40,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$47,000
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 pumps/VRU			0181-0886	\$32,000
Tanks - Oil 1/4 - 8 - 750 OT			0181-0890	\$40,000
Tanks - Water 1/4 - 6 - 750 WT			0181-0891	\$32,000
Separation / Treating Equipment 1/4-1000GB/3-36"x15x1000#/3-30x10x1000#/Flare/VRT			0181-0895	\$100,000
Heater Treaters, Line Heaters 8x20x75 HT			0181-0897	\$26,000
Metering Equipment			0181-0898	\$15,000
Line Pipe & Valves - Gathering			0181-0900	\$15,000
Fittings / Valves & Accessories			0181-0906	\$90,000
Cathodic Protection inc. automation			0181-0908	\$58,000
Electrical Installation			0181-0909	\$38,000
Equipment Installation			0181-0910	\$50,000
Pipeline Construction			0181-0920	\$25,000
TOTAL		\$342,300		\$733,200
SUBTOTAL		\$2,137,704		\$3,295,440

TOTAL WELL COST

\$5,433,144

Extra Expense Insurance

☐

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

☐

I elect to purchase my own well control insurance policy.

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

Prepared by: T. Cude

Date: 6/15/2020

Company Approval: *m. whitte*

Date: 6/15/2020

Joint Owner Interest:

Amount:

Joint Owner Name:

Signature:

24

Section 6, T25S, R28E
Eddy County, New Mexico

N/2
Wolfcamp Formation

Mewbourne Oil Company	40.0000%
COG Operating LLC	47.3425%
Occidental Permian Limited Partnership	12.6575%

Subject to Joint Operating Agreement dated February 15, 2005, covering the N/2 of Section 6

S/2
Wolfcamp Formation

Mewbourne Oil Company	100.0000%
-----------------------	-----------

ATTACHMENT

1-E

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Sent to Sean Johnson of COG by email dated 3-3-2020.

- Mewbourne guarantees no operations will be conducted in the S2 of Section 6, T25S-R28E prior to an order being issued at the NMOCD as to COG's Scout cases as it relates to the Pothole permits or any other permits that may be filed on or including said acreage in section 6. MOC agrees not to have operations on the S2 of Section 6 before 5/1/2020. This gives us two months to work something out. I can not guarantee no operations prior to an order being issued as this removes all incentive for us to work together.

Corey Mitchell

ATTACHMENT

1-F

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

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 21219

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

Case No. 21220

VERIFIED STATEMENT OF NATHAN CLESS

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Nathan Cless, 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 at numerous hearings as an expert petroleum geologist.
3. The following geological plats are attached hereto:
 - (a) Attachment A is a regional Wolfcamp horizontal activity map. It shows the proposed area of interest. It also shows the drilled Wolfcamp horizontal wells in the area, and a line of cross-section A-A'.
 - (b) Attachment B is a structure map on the top of the Wolfcamp formation. It shows that structure dips gently to the east. It also shows Upper Wolfcamp horizontal wells in the area, and it highlights where COG and Mewbourne operate Upper Wolfcamp horizontals. The line of cross-section is also shown.
 - (c) Attachment C is a cross section. The well logs on the cross-section give a representative sample of the Wolfcamp formation in this area. It also shows where COG and Mewbourne have landed their Upper Wolfcamp horizontals.
 - (d) Attachment D is a production data table detailing Upper Wolfcamp horizontal producers within a five-mile radius of section 7/25S/28E.

EXHIBIT

2

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4. I conclude from the maps that:

(a) The Wolfcamp formation in Sections 6, 7, and 18 is continuous and uniform in thickness. Each quarter section in each of the sections will contribute more or less equally to production from wells drilled thereon.

(b) There is no faulting or other geologic impediment on the area which will affect the drilling of wells in these sections.

43 5. Attachment ^D~~B~~ contains information from other Wolfcamp wells drilled in this area. There are both standup and laydown wells in this area. Mewbourne sees no significant difference in production quality whether the wells are standup or laydown.

6. Operators continue drilling economic one mile wells nearby. For example, (i) Matador Production Company recently drilled a one mile laterals in the W/2 of Section 19-24S-28E (spud 10/24/19) because that acreage was excluded from COG's Tomahawk Unit (the subject of Case No. 20659), (ii) Marathon has recently drilled and completed one mile laterals in Section 4-25S-28E, which is within 1.5 miles of Mewbourne's proposed wells, and (iii) Mewbourne has drilled numerous one mile laterals in the surrounding area and will continue to do so when it is in our best interest to protect our correlative rights.

7. From a geologic standpoint COG's correlative rights will not be adversely affected by drilling two mile laterals in Sections 7 and 18.


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

28

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

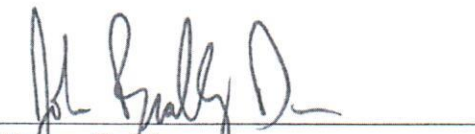
Nathan Cless, being duly sworn upon his oath, deposes and states that: He is a geologist for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge,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



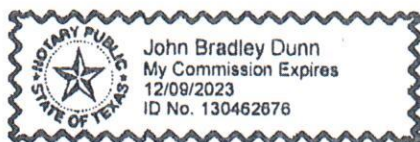
Nathan Cless

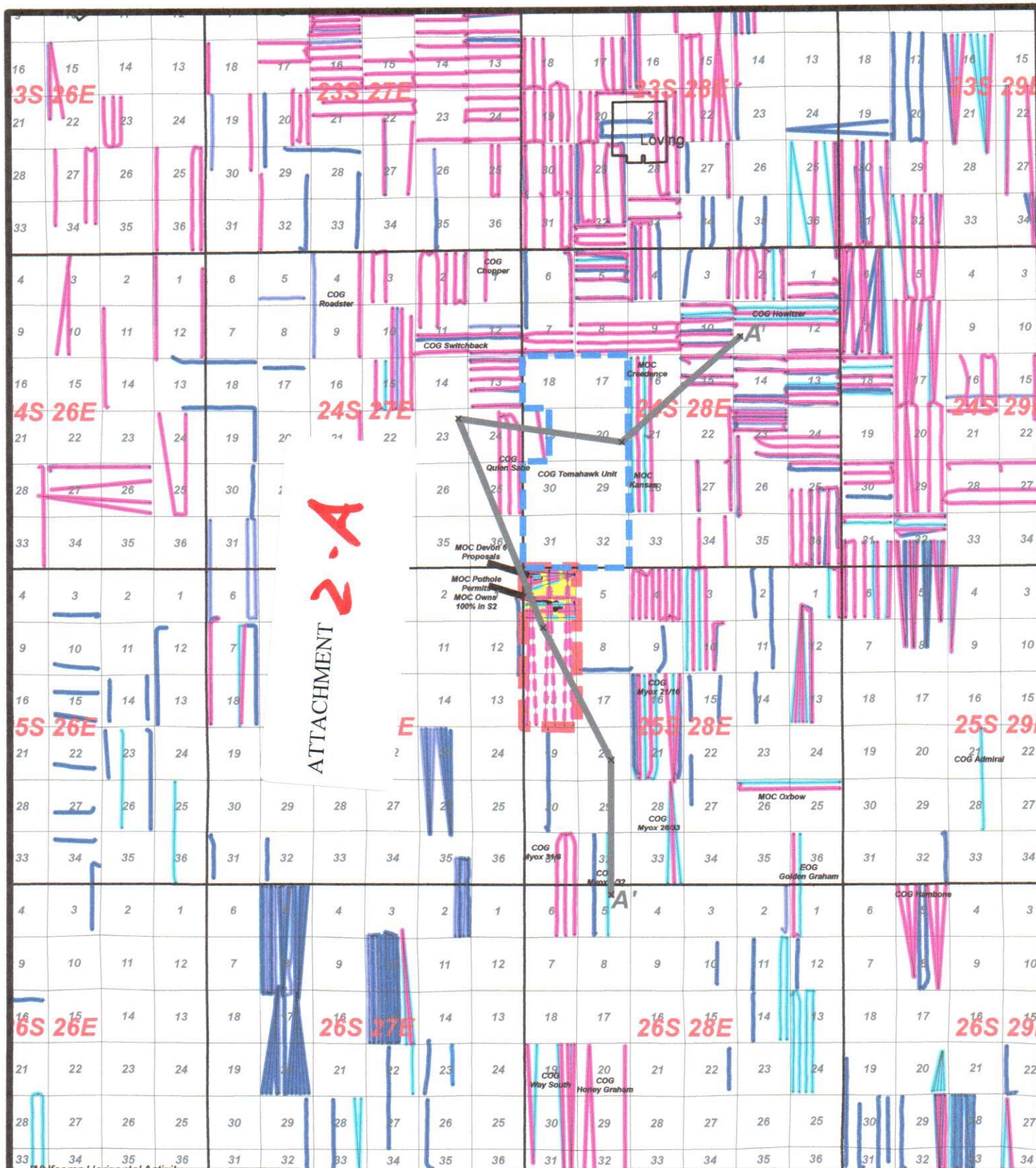
SUBSCRIBED AND SWORN TO before me this 18 day of June, 2020 by Nathan Cless.

My Commission Expires: 12/09/2023



Notary Public





ATTACHMENT 2.A

Wolfcamp Horizontal Activity

- WFMP Sand
- Wolfcamp "A" Shale
- Wolfcamp "B" Shale
- Wolfcamp "C" Shale
- Wolfcamp "D" Shale

Proposed:
 Drilled:

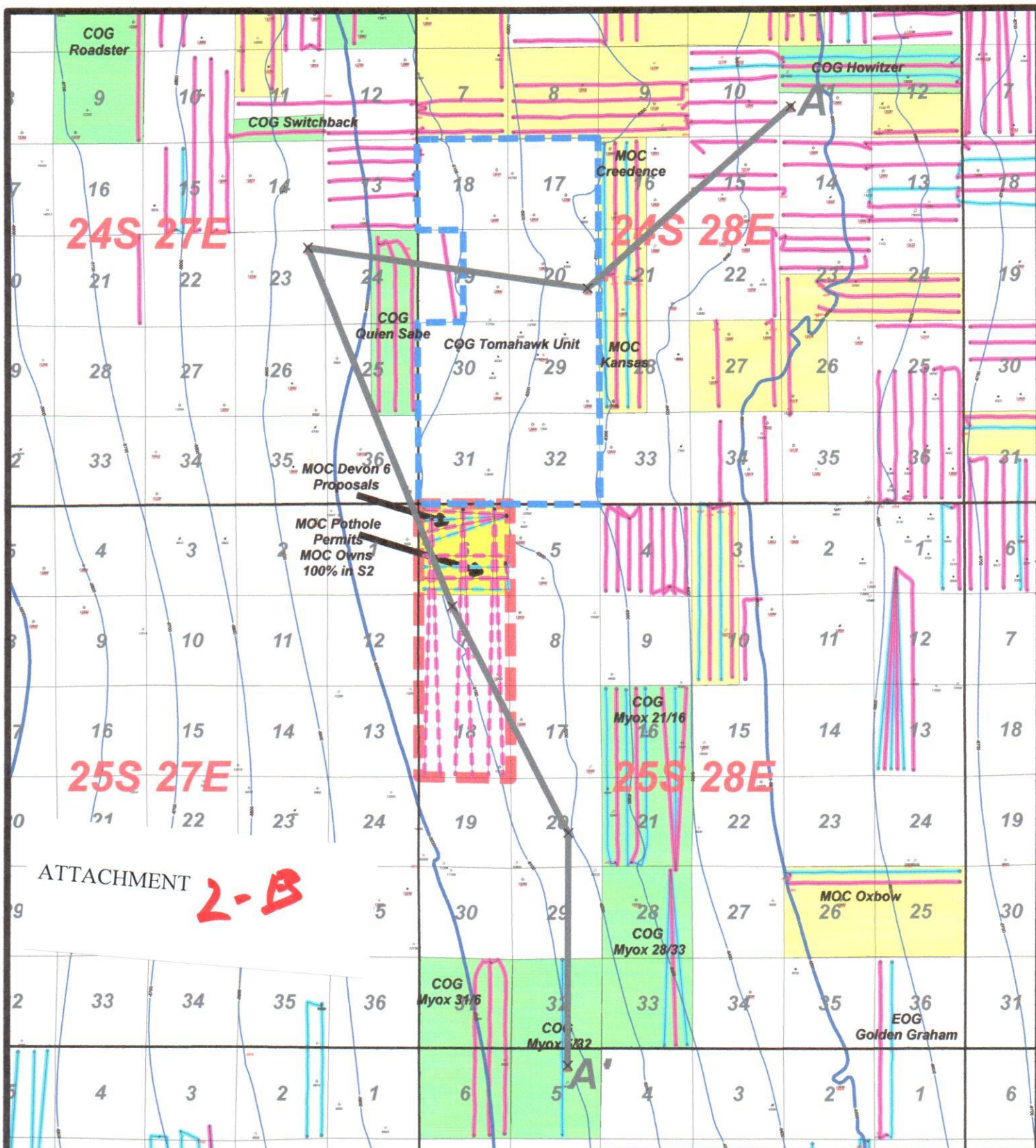
COG Scout Proposals

MOC Ownership

Mewbourne Oil Company

**COG Scout Pooling
Southern Eddy
Wolfcamp Horizontal Activity Map**

6/17/2020	Eddy County	New Mexico
Drilled Wolfcamp Horizontals		N-Class



Wolfcamp Horizontal Activity

- WHP Sand
- Wolfcamp "A" Shale
- Wolfcamp "B" Shale
- Wolfcamp "C" Shale
- Wolfcamp "D" Shale

Proposed: ---
 Drilled: —

**COG Scout
Proposals**

**COG
Upper
WHP HZs**

**MOC
Ownership**

**MOC
Upper
WHP HZs**

MOC Mewbourne Oil Company

COG Scout Pooling
Top of Wolfcamp Structure Map (C.I. 100')
Upper WHP Horizontal Activity Map
MOC/COG Drilled Upper WHP HZs

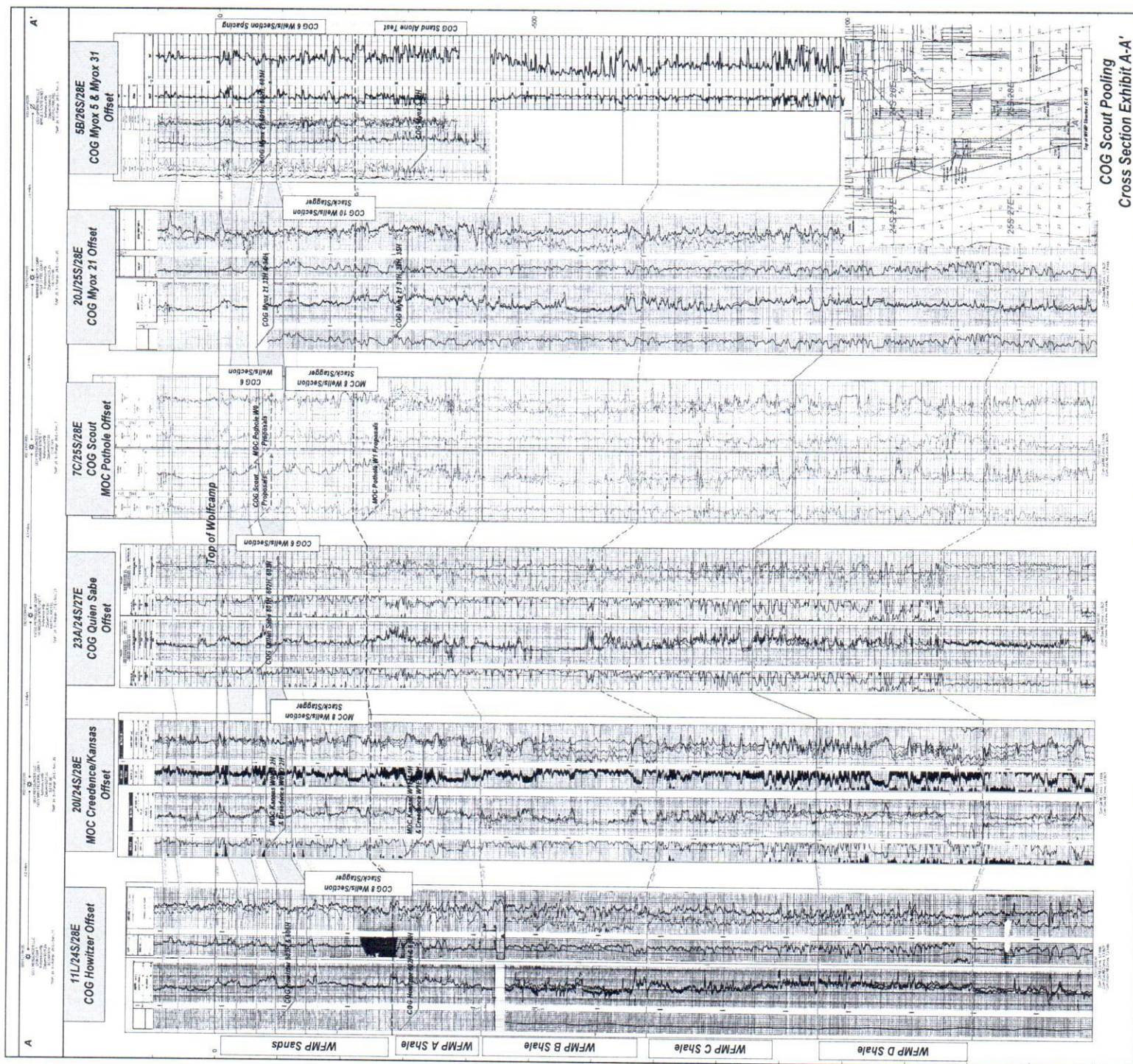
6/17/2020

Eddy County

New Mexico

Drilled Upper WHP Horizontals

N.C. less



ATTACHMENT

2-C

Scout Area Upper Wolfcamp Production Data Table (Wells within 5 Mile Radius 7/25/28E)

Well Name	Operator	API	Location	WFMP Comp Date	Cum Oil (mbo)	Cum Gas (bcf)	Cum Water (mbw)	NS/EW	HZ Target	Lat Length (miles)	Notes
Mad River 133H	Caza	3001543898	13PM/24S/27E	1/2/2017	289	0.5	985	EW	WFMP Sand	1.0	
Mad River 13 4H	Caza	3001544042	13L/24S/27E	4/11/2017	286	0.7	932	EW	WFMP Sand	1.0	
Quiler Sabe 801H	COG	3001546125	24A-25P/24S/27E	2/1/2020	134	0.3	362	NS	WFMP Sand	2.0	
Quiler Sabe 802H	COG	3001546127	24A-25P/24S/27E	2/1/2020	118	0.3	362	NS	WFMP Sand	2.0	
Quiler Sabe 803H	COG	3001546128	24B-25O/24S/27E	2/1/2020	103	0.2	361	NS	WFMP Sand	2.0	
Credencia 21/16 W0ED 2H	Newbourne	3001544871	21E-16D/24S/28E	11/15/2019	188	0.4	406	NS	WFMP Sand	1.5	
Credencia 21/16 W1ED 1H	Newbourne	3001544887	21E-16D/24S/28E	11/15/2019	185	0.4	415	NS	WFMP A	1.5	
Kansas 21/28 W1LM 1H	Newbourne	3001545763	21L-28M/24S/28E	11/15/2019	199	0.5	508	NS	WFMP A	1.5	
Kansas 21/28 W0LM 2H	Newbourne	3001546016	21L-28M/24S/28E	11/15/2019	188	0.4	505	NS	WFMP Sand	1.5	
Rustler Breaks 2623 WDML 2H	Newbourne	3001544660	26M-23L/24S/28E	8/8/2019	227	0.5	606	EW	WFMP Sand	1.5	
Rock Spur 27 W0CN 2H	Newbourne	3001544064	27CN/24S/28E	6/28/2017	400	1.1	1240	NS	WFMP Sand	1.0	
Rock Spur 27 W0AP 2H	Newbourne	3001544093	27AP/24S/28E	8/28/2019	263	0.7	864	NS	WFMP Sand	1.0	
Chicken Fry 1H	Marathon	3001542882	22AP/24S/28E	9/24/2017	179	0.5	743	NS	WFMP Sand	1.0	
Kyle 34 5H	Marathon	3001543295	34PA/24S/28E	11/26/2017	291	0.9	958	NS	WFMP Sand	1.0	
Kyle 34 3H	Marathon	3001543405	34NC/24S/28E	12/12/2017	254	0.7	1148	NS	WFMP Sand	1.0	
Salt Draw 10 WCA 3H	Chisholm	3001545775	10BO/25S/28E	7/9/2019	107	0.3	385	NS	WFMP Sand	1.0	
Rick Deckard WXY 18H	Marathon	3001545091	4PA/25S/28E	2/25/2019	112	0.4	NA	NS	WFMP Sand	1.0	Missing 1st 2 Mos Prod
Rick Deckard WA 14H	Marathon	3001545092	4PA/25S/28E	2/25/2019	110	0.3	NA	NS	WFMP Sand	1.0	Missing 1st 2 Mos Prod
Rick Deckard WXY 12H	Marathon	3001545090	4OB/25S/28E	2/25/2019	112	0.3	NA	NS	WFMP Sand	1.0	Missing 1st 2 Mos Prod
Rick Deckard WA 15H	Marathon	3001545093	4OB/25S/28E	2/25/2019	94	0.3	NA	NS	WFMP Sand	1.0	Missing 1st 2 Mos Prod
Rick Deckard WA 9H	Marathon	3001545345	4CN/25S/28E	7/13/2019	18	0.1	67	NS	WFMP Sand	1.0	Missing 1st 7 Mos Prod
Rick Deckard WXY 8H	Marathon	3001545348	4CN/25S/28E	7/13/2019	15	0.1	75.0	NS	WFMP Sand	1.0	Missing 1st 7 Mos Prod
Rick Deckard WA 2H	Marathon	3001545344	4DM/25S/28E	7/13/2019	15	0.1	55	NS	WFMP Sand	1.0	Missing 1st 7 Mos Prod
Rick Deckard WXY 6H	Marathon	3001545347	4DM/25S/28E	7/13/2019	23	0.1	98	NS	WFMP Sand	1.0	Missing 1st 7 Mos Prod
Myox 21 31H	COG	3001544000	21M-16D/25S/28E	10/27/2019	137	0.4	654	NS	WFMP A	2.0	
Myox 21 32H	COG	3001544002	21M-16D/25S/28E	10/27/2019	121	0.3	702	NS	WFMP Sand	2.0	
Myox 21 33H	COG	3001544006	21M-16D/25S/28E	10/27/2019	150	0.4	752	NS	WFMP A	2.0	
Myox 21 34H	COG	3001545376	21N-16C/25S/28E	10/27/2019	136	0.4	881	NS	WFMP Sand	2.0	
Myox 21 35H	COG	3001545373	21N-16C/25S/28E	10/27/2019	138	0.4	758	NS	WFMP A	2.0	
Myox 31 601H	COG	3001545948	31A-4P/26S/28E	12/28/2019	103	0.3	397	NS	WFMP Sand	2.0	
Myox 31 602H	COG	3001545949	31A-4P/26S/28E	12/28/2019	117	0.4	381	NS	WFMP Sand	2.0	
Myox 31 603H	COG	3001545950	31B-4O/26S/28E	12/28/2019	123	0.4	400	NS	WFMP Sand	2.0	

ATTACHMENT

2-D

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

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21219

APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 21220

VERIFIED STATEMENT OF TRAVIS CUDE

COUNTY OF MIDLAND)
) ss.
STATE OF TEXAS)

Travis Cude, 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 petroleum engineer for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the engineering matters involved in this case. I have been qualified by the Division at numerous hearings as an expert petroleum engineer.
3. The following plats, prepared by me or under my direction, are attached hereto:
 - (a) Attachment A is a lateral orientation comparison of production from the upper Wolfcamp formation. There is negligible difference between North/South laterals and East/West laterals in the four township area surrounding these proposals, although COG testified in Case No. 20659 in August 2019 that East/West was the preferable orientation in lands directly offsetting Section 6 (in the Tomahawk Unit in Township 24 South, Range 28 East, N.M.P.M.
 - (b) Attachment B is a development spacing comparison. It shows that Mewbourne has the better development plan with 660' spacing targeting two landing points, as opposed to COG's development plan with 880' spacing targeting a single landing point.
 - (c) Attachment C is a development target comparison between the Wolfcamp Sand and Wolfcamp A Shale. COG's plan will potentially recover 25% less reserves from the upper Wolfcamp in Section 6 compared to Mewbourne's proposed development plan.

EXHIBIT

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(d) Attachment D is a lateral length comparison by operator. Mewbourne is a proven, competent operator of 1 mile laterals. COG has not drilled and completed any 3 mile laterals in New Mexico. Additionally, less than 0.1% of horizontal wells completed in the Delaware Basin in New Mexico in the last 5 years have lateral lengths greater than 14,000 feet.

4. One mile laterals in the Wolfcamp in this area are economic, and continue to be drilled on an ongoing basis, as noted in Mr. Cless' testimony. Mewbourne is a low cost operator and has substantial experience in drilling economic wells in New Mexico.

5. Three mile laterals are rare, and are not a proven drilling method. The additional lateral length can lead to potential drilling and production problems, leading to unanticipated, increased drilling costs. Attachment E.

6. COG's correlative rights will not be adversely affected by drilling two mile laterals in Sections 7 and 18.

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

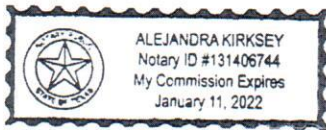
Travis Cude, being duly sworn upon his oath, deposes and states that: He is a petroleum engineer for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his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

Travis Cude
Travis Cude

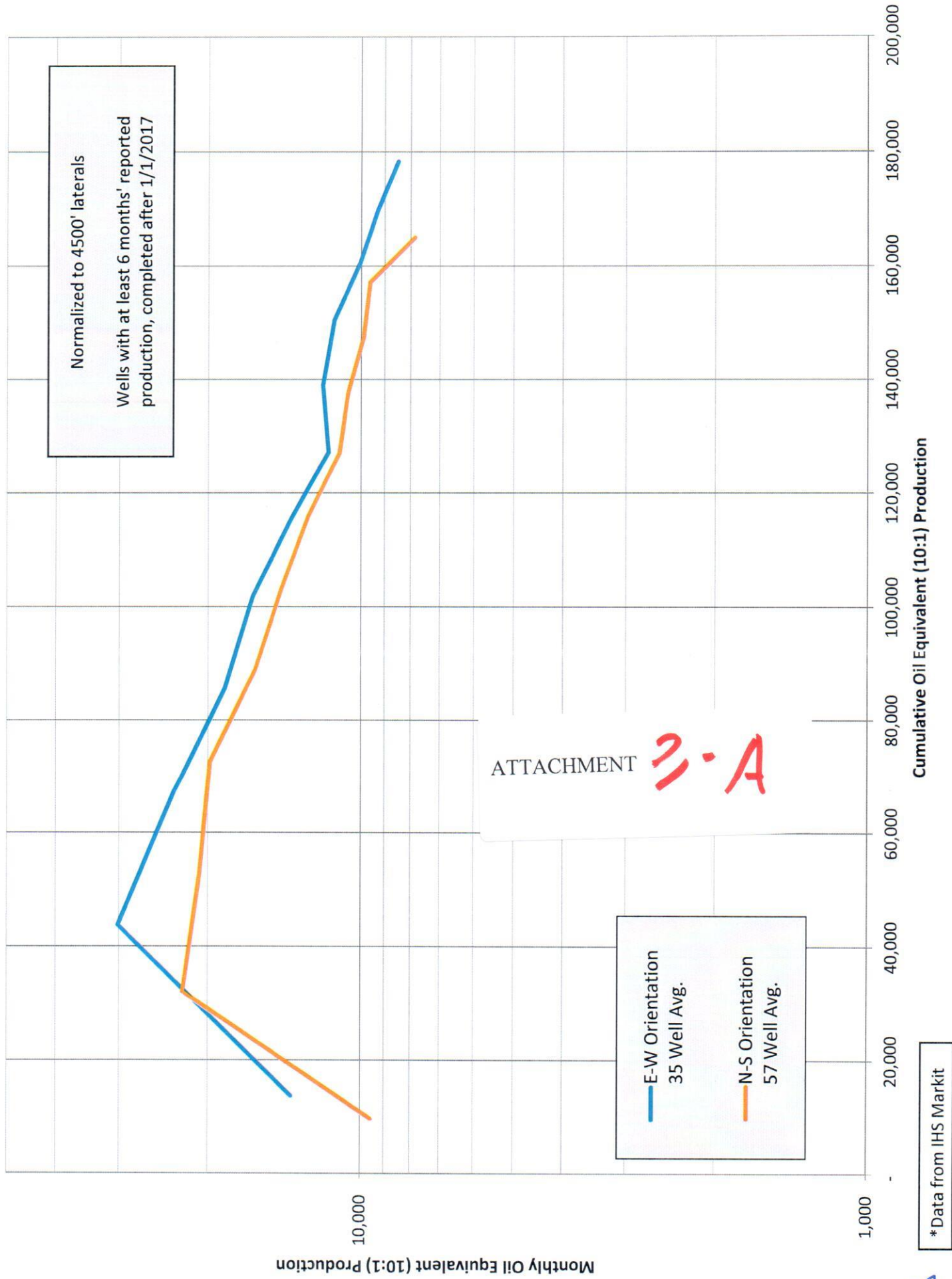
SUBSCRIBED AND SWORN TO before me this 18th day of June, 2020 by Travis Cude.

My Commission Expires: January 11, 2022

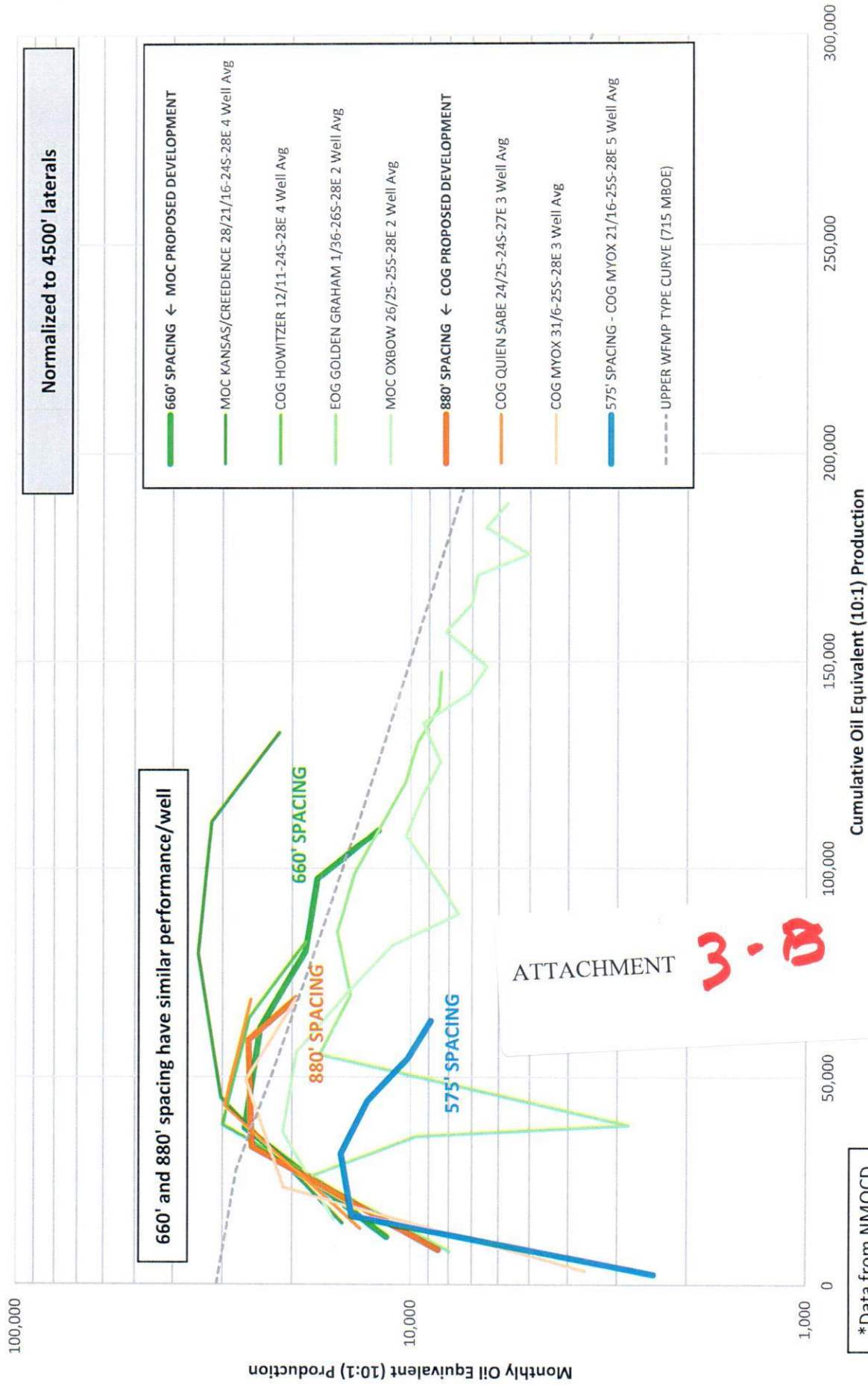
Alejandra Kirksey
Notary Public



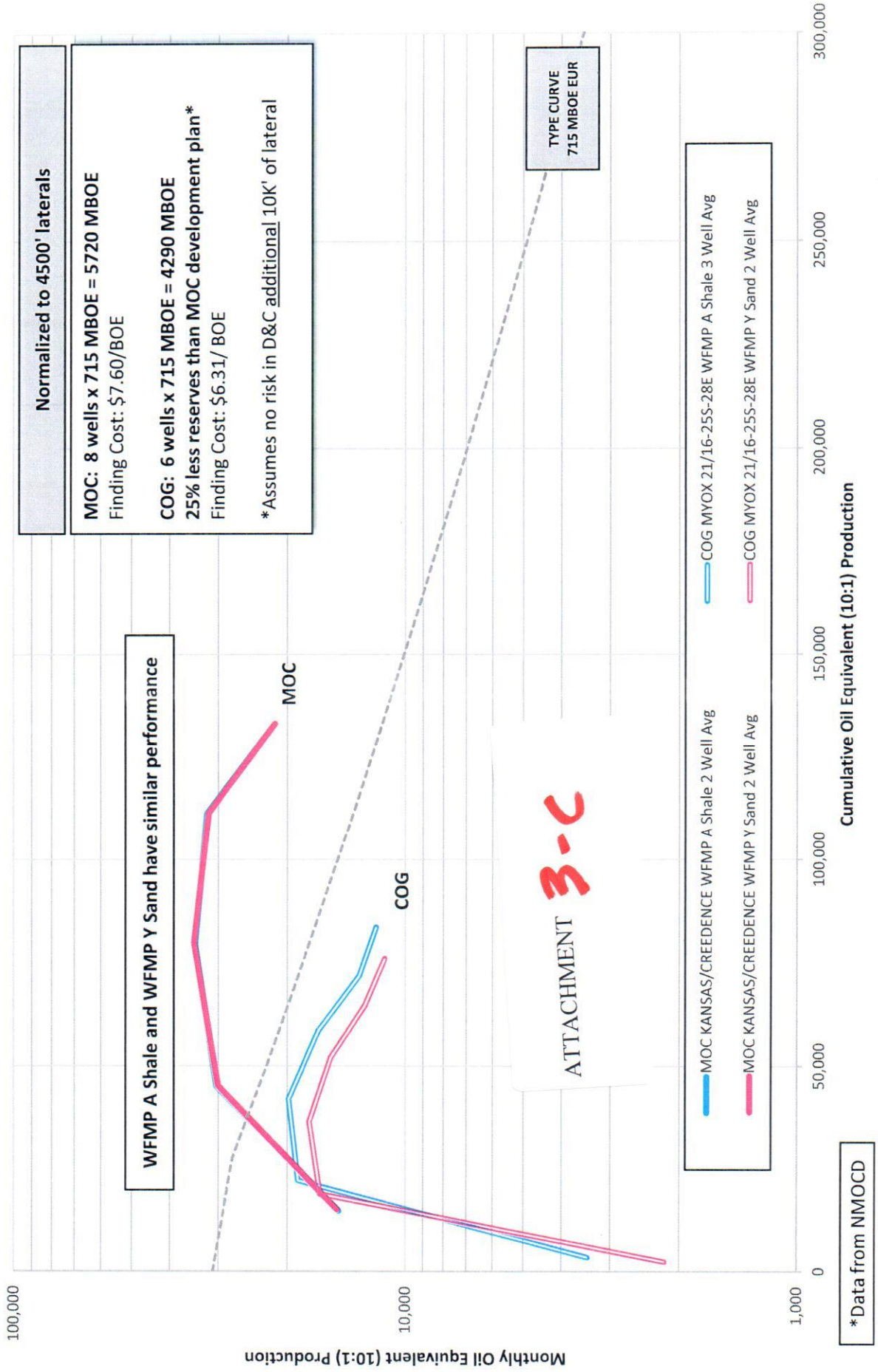
TWN. 24S & 25S, RNG. 27E & 28E: Upper Wolfcamp Orientation Comparison



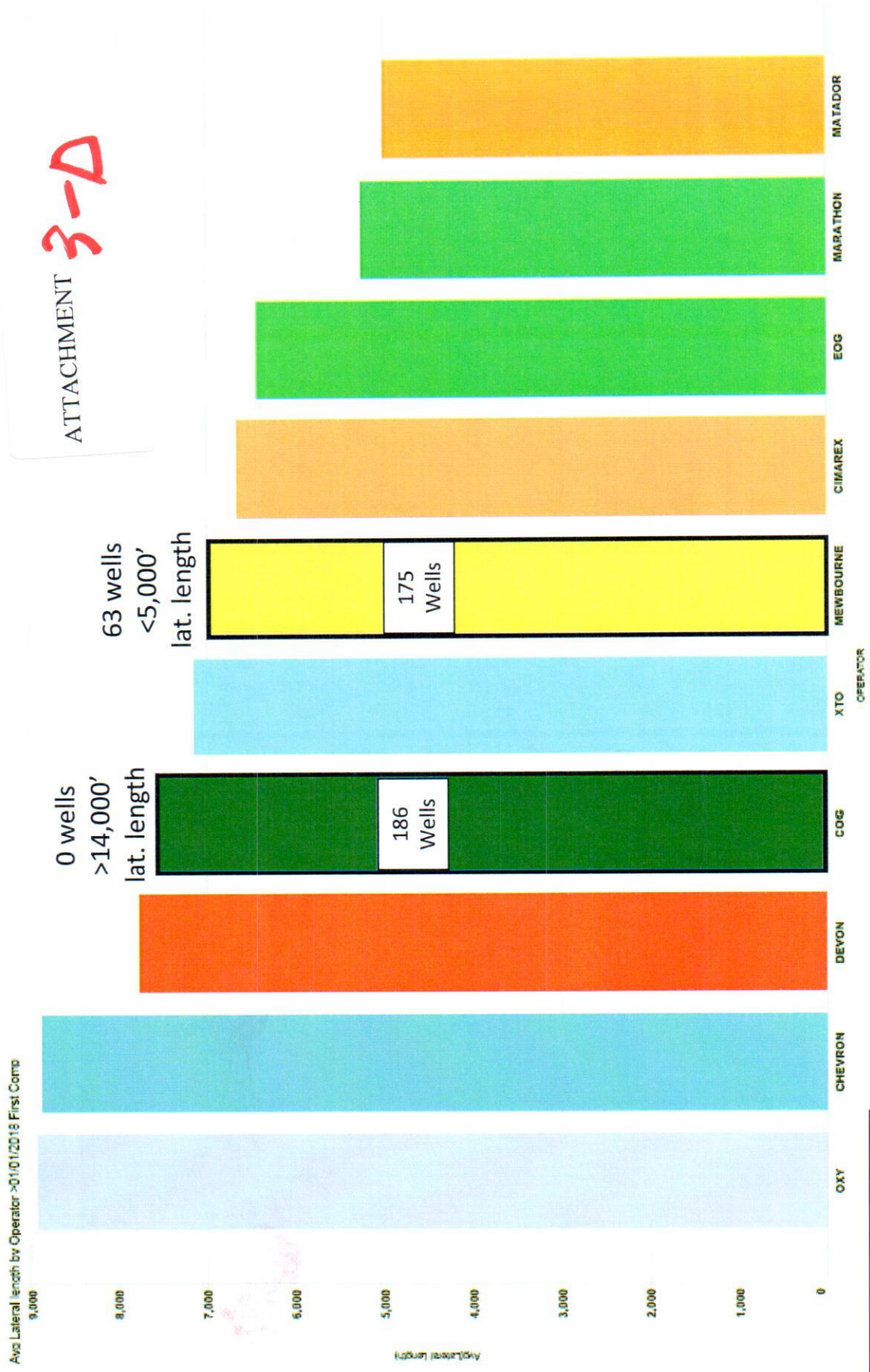
TWN. 24S & 25S, RNG. 27E & 28E: Upper Wolfcamp Development Comparison



TWN. 24S & 25S, RNG. 27E & 28E: Upper Wolfcamp Development Comparison



Top 10 NM Delaware Basin Operators by Avg. Lateral Length 99.9% of Completed Laterals Since 1/2015 <14,000' LL



*Data from Drillinginfo

Productivity-to-Lateral Length Comparison

