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

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

Case No. 21360

MEWBOURNE OIL COMPANY'S HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Tyler Jolly
A-1	Application
A-2	Midland Map
A-3	C-102
A-4	Plat of Tracts
A-5	Unit Recapitulation
A-6	List of Tract Ownership and Pooled Parties
A-7	Well Proposal Letter
A-8	Summary of Communications
A-9	Exhibit A to Joint Operating Agreement
A-10	Proposed Notice of Hearing
A-11	Hearing Notice Letter and Return Receipts
A-12	Affidavits of Publication
A-13	Authorization for Expenditures

Exhibit B Self-Affirmed Statement of Charles Crosby

- B-1 General Location Map
- B-2 Structure Map
- B-3 Gross Isopach Map
- B-4 Cross Section
- B-5 Production Table
- B-6 Survey Calculation Report

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: #21360	APPLICANT'S RESPONSE		
Date: August 4, 2020			
Applicant	Mewbourne Oil Company		
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company, OGRID 14744		
Applicant's Counsel:	Hinkle Shanor LLP, Dana S. Hardy		
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO		
Entries of Appearance/Intervenors:	None		
Well Family	Ithaca		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring Formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Bone Spring Formation		
Pool Name and Pool Code:	Getty Bone Spring Oil Pool, Code 27470		
Well Location Setback Rules:	Standard Oil, 100' setback		
Spacing Unit Size:	40 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	240 acres		
Building Blocks:	40 acres		
Orientation:	West to East		
Description: TRS/County	S/2 N/2 Sec. 15 & S/2 NW/4 Sec. 14, Township 20 South, Range 29 East, Eddy County		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No		
Proximity Tracts: If yes, description	No		
Proximity Defining Well: if yes, description	No		
Applicant's Ownership in Each Tract	Exhibit A-6		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)			

Well #1	Ithaca 15-14 B3EF Fed Com #1H (API #); SHL: 1390' FNL & 205' FWL (Sec. 15/20S/29E); BHL: 2280' FNL & 2540' FWL (Sec. 14/20S/29E); laydown; standard
Well #2	
Horizontal Well First and Last Take Points	FTP: 2280' FNL and 100' FWL (Sec. 15/20S/29E); LTP: 2280' FNL and 100' FWL (Sec. 14/20S/29E)
Completion Target (Formation, TVD and MD)	Bone Spring; 9,200' TVD and 16,620' TMD
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-10
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-11
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-12
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4
Tract List (including lease numbers and owners)	Exhibit A-4
Pooled Parties (including ownership type)	Exhibits A-6, A-8
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & bel	ov N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-9
Chronology of Contact with Non-Joined Working Interests	Exhibit A-8
Overhead Rates In Proposal Letter	Exhibits A, A-7

Cost Estimate to Drill and Complete	Exhibit A-13
Cost Estimate to Equip Well	Exhibit A-13
Cost Estimate for Production Facilities	Exhibit A-13
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibits B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-4, A-5, A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-2
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
Additional Information	

Date:

4-Aug-20

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

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

Case No. 21360

SELF-AFFIRMED STATEMENT OF TYLER JOLLY

- I am over 18 years of age and am competent to provide this Self-Affirmed
 Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a landman for Mewbourne Oil Company ("Mewbourne"). I have had direct involvement with Mewbourne's development of the 240-acre, more or less, standard horizontal spacing unit ("HSU") that is the subject of Mewbourne's application in this case. A copy of the application is attached as Exhibit A-1.
- 3. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

A. Proposed Horizontal Spacing Unit

- 4. The proposed HSU is comprised of the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. A Midland Map depicting the proposed HSU is attached as Exhibit A-2.
- 5. Mewbourne seeks to pool all uncommitted interests in the Bone Spring formation underlying the HSU.
- 6. The HSU will be dedicated to the Ithaca 15/14 B3EF Fed Com #1H well, which will be horizontally drilled from a surface location in Unit E in Section 15 to a bottom hole location in Unit F in Section 14, Township 20 South, Range 29 East in Eddy County. The first take point

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for the Ithaca 15/14 B3EF Fed Com #1H well is 2280' FNL and 100' FWL in Section 15, and the last take point is 2280' FNL and 100' FWL in Section 14. The target interval is the Bone Spring formation at 9,200' TVD and 16,620' TMD.

- 8. The proposed well will be completed from West to East, and the completed interval of the well will be orthodox.
- 9. The proposed well is located in the Getty Bone Spring Oil Pool, Code 27470. With respect to well setback requirements, this pool is subject to the statewide horizontal well rules set out in NMAC 19.15.16.15. Spacing in this pool is based on quarter-quarter sections, and the HSU is constructed based on quarter-quarter sections.
 - 10. The C-102 for the proposed well is attached as Exhibit A-3.

B. Ownership Determination

- 11. A plat of the tracts included in the HSU and the associated ownership interests is attached as Exhibit A-4, and a recapitulation is attached as Exhibit A-5.
 - 12. A list of the tract ownership is attached as Exhibit A-6.
- 13. A list of the pooled parties is included in Exhibit A-6. There were no unlocatable interests.
 - 14. There is no depth severance in the Bone Spring formation in the proposed HSU.
 - 15. Mewbourne has the right to pool any overriding royalty owners in the HSU.

C. Joinder

16. I sent well proposal letters to the uncommitted interests on December 17, 2019. I subsequently had follow-up communications with them. My well proposal letter is attached as Exhibit A-7. A summary of my follow-up contacts with the uncommitted interests is attached as Exhibit A-8.

- 17. A list of interest owners (Exhibit A to Joint Operating Agreement) is attached as Exhibit A-9.
 - 18. 93.4995% of the working interests are committed to the proposed well.
- 19. In my opinion, Mewbourne has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed wells.

D. Notice of Hearing

- 20. Mewbourne's proposed notice of hearing is attached as Exhibit A-10.
- 21. At my direction, notice of Mewbourne's application and the Division hearing was provided to the uncommitted interests at least 20 days prior to the hearing date. The notice letter and associated receipts are attached as Exhibit A-11.
- 22. Notice of Mewbourne's application and the Division hearing was published more than ten business days prior to the hearing date. The affidavits of publication are attached as Exhibit A-12.
- 23. Mewbourne conducted a diligent, good-faith effort to identify the correct addresses of persons entitled to notice and has complied with the Division's notice requirements.

E. Drilling and Operating Costs

- 24. The AFEs for the proposed wells are attached as Exhibit A-13. The estimated cost of the well is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Eddy County.
- 25. Mewbourne requests overhead and administrative rates of \$8,000 per month while the well is being drilled and \$800 per month while the well is producing. These rates are fair and are comparable to the rates charged by Mewbourne and by other operators in the vicinity. They are also the rates set forth in the Joint Operating Agreement for the HSU. Mewbourne further

requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.

- 26. Mewbourne requests that it be designated the operator of the well.
- 27. Mewbourne also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.
- 28. The attached exhibits attached were either prepared by me or under my supervision, or were compiled from company business records.
- 29. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 30. 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 29 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.

Fyler Jolly //

8-3-2020 Date

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

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

Case No. 21360

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company ("Mewbourne") applies for an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. In support of its application, Mewbourne states the following.

- 1. Mewbourne (OGRID No. 14744) is a working interest owner in the proposed horizontal spacing unit and has the right to drill a well thereon.
- 2. The horizontal spacing unit will be dedicated to the Ithaca 15/14 B3EF Fed Com #1H well, which will be horizontally drilled from a surface location in Unit E in Section 15 to a bottom hole location in Unit F in Section 14, Township 20 South, Range 29 East in Eddy County.
 - 3. The completed interval for the well will be orthodox.
- 4. Mewbourne has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well but has been unable to obtain voluntary agreements from all of the mineral interest owners.
- 5. The pooling of all uncommitted mineral interests in the Bone Spring formation underlying the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14 will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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6. In order to allow Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, Mewbourne requests that this application be set for hearing on August 6, 2020 and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County;
- B. Designating Mewbourne as the operator of the Ithaca 15/14 B3EF Fed Com #1H well;
- C. Authorizing Mewbourne to recover its costs of drilling, equipping, and completing the Ithaca 15/14 B3EF Fed Com #1H well and allocating the costs among the well's working interest owners;
- D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Imposing a 200% penalty for the risk assumed by Mewbourne in drilling and completing the Ithaca 15/14 B3EF Fed Com #1H well against any mineral interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

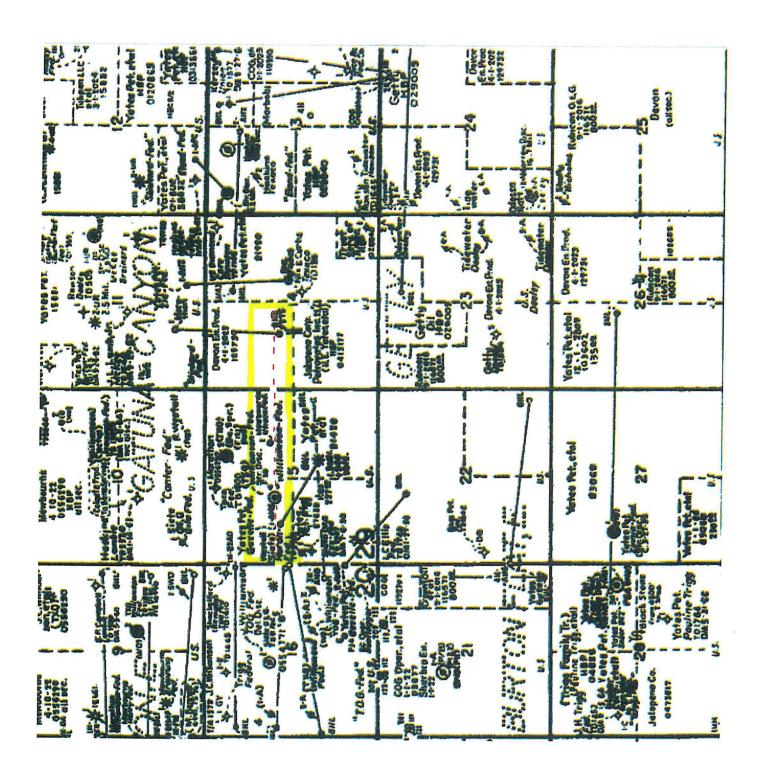
HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy
Dioscoro "Andy" Blanco
P.O. Box 2068
Santa Fe, NM 87504-2068

Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
dblanco@hinklelawfirm.com

Counsel for Mewbourne Oil Company



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District 1
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

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MEWBOURNE OIL

Exhibit A-3

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

orm C-102

			WELL L	OCATIO	ON AND A	ACREAGE DEDIC	CATION PLA	T		
API Number 2 Pool				² Pool Coo	le		³ Pool Na	me		
⁴ Property Co	and the same of th					Well Number				
7 OGRID	NO.	*Operator Name *Operator Name MEWBOURNE OIL COMPANY 3287'								
					10 Surfa	ace Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the North/South line	Feet From the	East/W	t/West line County	
${f E}$	15	20S	29E		1390	NORTH	205	WE	WEST EDDY	
" Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Lot Idn Feet from the North/South line Feet from the East/West line		est line	County		
\mathbf{F}	14	20S	29E		2280	NORTH	2543	WE	ST	EDDY
12 Dedicated Acre	s 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.

	GEODETIC DATA NAD 83 GRID – NM EAST	CORNER DATA NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1916" N: 569820.2 - E: 622012.4	G: FOUND BRASS CAP "1918" N: 575107.2 - E: 632578.7 H: FOUND BRASS CAP "1918" N: 572468.2 - E: 632578.9	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 unleased mineral interest in the land including
	SURFACE LOCATION N: 573715.9 - E: 622207.8 LAT: 32.5769254' N LONG: 104.0707945' W BOTTOM HOLE N: 572831.2 - E: 629837.5	B: FOUND BRASS CAP "1916" N: 572462.9 - E: 622006.1 C: FOUND BRASS CAP "1916" N: 575105.3 - E: 621999.3 D: FOUND BRASS CAP "1916" N: 575108.8 - E: 624645.4	I: FOUND 2" PIPE N: 569828.1 - E: 632585.1 J: FOUND 1" PIPE N: 569827.3 - E: 629941.9 K: FOUND BRASS CAP "1916" N: 569827.7 - E: 627300.4	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.
	LAT: 32.5744394' N LONG: 104.0460334' W	E: FOUND BRASS CAP "1916" N: 575112.3 - E: 627291.8 F: FOUND BRASS CAP "1918" N: 575110.6 - E: 629934.1	L: FOUND BRASS CAP "1916" N: 569823.8 - E: 624656.9 M: FOUND BRASS CAP "1916" N: 572469.6 - E: 627296.2	Signature Date Printed Name
N 00'08'15" W 2643.35' (© N 00'08'51" W 2643.04' (S.L.	7" W 2647.03' © N 89'57'46" W 26	(642.89) (E) N 89'55'38" W 2645.26' (B) H.	Is 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: 03-09-20 Date of Survey Signature and Seal of Processor Survey 19680 Certificate Number
\triangle	S 89.55'20" W 2645.06' (S 89.54'55	5" W 2644.17' (K) N 89'59'32" W 26	542.15' ① S 89°59'02" W 2643.82'	RRC-Job No: LS20010080

Section Plat

Ithaca 15-14 B3EF Fed Com #1H S/2N/2 of Section 15 & S/2NW of Section 14

T20S-R29E, Eddy County, NM

Section 15	Section 14
Tract 1	Tract 2

Tract 1: S/2N/2 of Section 15 - Federal Lease NMNM 0556290

Mewbourne Oil Company
Occidental Permian Limited Partnership
McCombs Energy, L.L.C.
Great Western Drilling Ltd.
Trainer Partners, Ltd.
Sand Dollas Petroleum, Inc.
Brooks Oil & Gas Interests, Ltd.
BancTexas Capital, Inc.
Jeffrey M. Johnston
Michael A. Short
McGuire Family, LLC
Stroube Energy, Inc.
F.M. Mayer Investments
Charlene Calvert Willie, Deceased

Tract 2: S/2NW of Section 14 - Federal Lease NMNM 129730

Mewbourne Oil Company

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RECAPITUALTION FOR ITHACA 15-14 B3EF FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	160	66.666667%
2	80	33.333333%
TOTAL	240	100.000000%

T20S-R29E, Eddy County, NM

Section 15	Sec	tion 14
Tract 1	Tract 2	

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TRACT OWNERSHIP

Ithaca 15-14 B3EF Fed Com #1H S/2N/2 of Section 15 & S/2NW of Section 14

S/2N/2 of Section 15 & S/2NW of Section 14 Bone Spring Formation:

Owner	%	of Leasehold Interest
Mewbourne Oil Company		62.464447%
Occidental Permian Limited Partnership		13.333333%
5 Greenway Plaza, Suite 110		
Houston, Texas 77046		
McCombs Energy, L.L.C		9.114587%
755 East Mulberry Ave., Suite 600		
San Antonio, Texas 78212		
Great Western Drilling Ltd		8.333333%
700 West Louisiana Ave.		
Midland, TX 79701		
Trainer Partners, Ltd		5.468733%
200 W. Illinois Ave., Suite 212		
Midland, TX 79701		
Sand Dollar Petroleum, Inc		0.520833%
PO Box 1324		
Midland, TX 79702		
Brooks Oil & Gas Interests, Ltd		0.218747%
369 Montezuma #121		
Santa Fe, NM 87505		
BancTexas Capital, Inc		0.125067%
P.O. Box 650282		
Dallas, Texas 75265		
Jeffrey M. Johnston		0.130207%
P.O. Box 1324		
Midland, Texas 79702		
Michael A. Short		0.130207%
1309 Brighton Place		
Midland, Texas 79705		
McGuire Family, LLC		0.104793%
2710 Kingston Bluff Ln		
Katy, TX 77494		
Stroube Energy, Inc.		0.035053%
18208 Preston Road, Suite D9249		
Dallas, Texas 75252		
F.M. Mayer Investments		0.017527%
P.O. Box 5083		
Denver, CO 80517		
Charlene Calvert Willie, Deceased		0.003133%
9427 Canyon Mist		
Helotes, Texas 78023		
TOTAL		100.000000%
5.5.5655		
Total Interest Being Pooled:	6.719247%	
A Sum american Denig a voicer	01/1/24/1/70	

OWNERSHIP BY TRACT

S/2N/2 of Section 15	
Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	43.696670%
Occidental Permian Limited Partnership	20.000000%
McCombs Energy, L.L.C.	13.671880%
Great Western Drilling Ltd.	12.500000%
Trainer Partners, Ltd	8.203100%
Sand Dollar Petroelum, Inc	0.781250%
Brooks Oil & Gas Interests, Ltd	0.328120%
BancTexas Capital, Inc	0.187600%
Jeffrey M. Johnston	0.195310%
Michael A. Short	0.195310%
McGuire Family, LLC	0.157190%
Stroube Energy, Inc.	0.052580%
F.M. Mayer Investments	0.026290%
Charlene Calvert Willie, Deceased	0.004700%

TOTAL 100.000000%

S/2NW of Section 14

Mewbourne Oil Company, et al.

% of Leasehold Interest
100.000000%

TOTAL 100.000000%

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MEWBOURNE OIL COMPANY

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

December 17, 2019

Via Certified Mail

Jeffrey M. Johnston P.O. Box 1324 Midland, Texas 79702

Re: Ithaca 15-14 B3DC Fed Com #1H
Ithaca 15-14 B3EF Fed Com #1H
Ithaca 15-14 W0EF Fed Com #1H
N2 of Section 15 & NW4 of Section 14
T20S, R29E, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company, as Operator, hereby proposes drilling the following three (3) horizontal tests:

 Ithaca 15-14 B3DC Fed Com #1H - APD in process Surface Location: 1330' FNL, 205' FWL, Section 15 Bottom Hole Location: 440' FNL, 2540' FWL, Section 14

Proposed Total Vertical Depth: 9170' Proposed Total Measured Depth: 16590'

Formation: Bone Spring

 Ithaca 15-14 B3EF Fed Com #1H – APD in process Surface Location: 1390' FNL, 205' FWL, Section 15 Bottom Hole Location: 2280' FNL, 2540' FWL, Section 14

Proposed Total Vertical Depth: 9200' Proposed Total Measured Depth: 16620'

Formation: Bone Spring

 Ithaca 15-14 W0EF Fed Com #1H – APD in process Surface Location: 1360' FNL, 205' FWL, Section 15 Bottom Hole Location: 1360' FNL, 2540' FWL, Section 14

Proposed Total Vertical Depth: 9390' Proposed Total Measured Depth: 16810'

Formation: Wolfcamp

In the event you elect to participate in the proposed wells, please execute the enclosed AFEs before returning them to the undersigned within thirty (30) days. Our Joint Operating Agreement will follow, which provides for a Drilling Well Rate of \$8,000 per month and a Producing Well Rate of \$800 per month and a non-consent penalty of 300%/100%. Please enclose your most current well information requirements so that we may supply well data when available.

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Ithaca 15-14 B3DC Fed Com #1H Ithaca 15-14 B3EF Fed Com #1H Ithaca 15-14 W0EF Fed Com #1H Page 2 of 2

Please contact me at (432) 682-3715 or via email at tiolly@mewbourne.com if you have any questions or need more information.

Very truly yours,

MEWBOURNE OIL COMPANY

Tyler Jolly Landman

Enclosures

Summary of Communications Ithaca 15-14 B3DC Fed Com #1H Ithaca 15-14 B3EF Fed Com #1H Ithaca 15-14 W0EF Fed Com #1H

F.M. Mayer Investments

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Conducted name and company search May 5, 2020.
- 3. Called and left voicemail May 5, 2020. A call was never returned back.
- 4. Called and left voicemail July 30, 2020. A call was never returned back.

BancTexas Capital, Inc. c/o Co-America

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Conducted name and company search May 5, 2020.
- 3. Called and left voicemail May 5, 2020. A call was never returned back.
- 4. Called and left voicemail July 30, 2020. A call was never returned back.

McGuire Family, LLC

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- Phone call to Travis Sample in December 2019 mentioned the interest was assigned to McGuire Family, LLC
- 3. Operating Agreement letter sent to Travis Sample January 14, 2020 regarding McGuire Family, LLC's participation.
- 4. Phone call to Travis Sample July 30, 2020 mentioned that McGuire Family, LLC is interested in a term assignment of operating rights.

Jeffrey M. Johnston

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Phone call with Jeff Johnston July 2020 about participation in the proposed wells.

Michael A. Short

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- Name search conducted for Michael A. Short.

Sand Dollar Petroleum, Inc.

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Phone call with Jeff Johnston July 2020 about participation in the proposed wells. Jeff Johnston is owner of Sand Dollar Petroleum, Inc.

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Exhibit A-8

Estate of Charlie Calvert Willie, Deceased

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Conducted name search May 5, 2020.
- 3. Called and left voicemail May 5, 2020. A call was never returned back.

Trainer Partners Ltd.

- 1. December 17, 2019, sent well proposal via certified mail. Proof of Delivery is attached.
- 2. Upon request from Trainer, sent well proposal to different address January 13, 2020. Proof of Delivery is attached.
- 3. Emailed well proposal to Mr. Trainer January 13, 2020 with offer to term assign. Proof of delivery of the email attached.
- 4. Email chain between Leo Slootsky and Tyler Jolly about the Ithaca 15-14 Prospect.

EXHIBIT "A"

Attached to and made a part of that certain Operating Agreement dated January 15, 2020, by and between MEWBOURNE OIL COMPANY as Operator and DEVON ENERGY PRODUCTION COMPANY, L.P., et al, as Non-Operators.

1. LANDS SUBJECT TO THIS AGREEMENT:

Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico N2 of Section 15 NW4 of Section 14 containing 480.00 acres, more or less.

2. <u>DEPTH RESTRICTIONS AND EXCLUSIONS:</u>

Surface to the base of the Morrow formation.

3. ADDRESSES OF THE PARTIES:

Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, Texas 79701 Attn: Land Department

Estate of Charlie Calvert Willie, Deceased 9427 Canyon Mist Helotes, Texas 78023 Attn: Claris Bacchetta

Great Western Drilling Ltd. 700 West Louisiana Ave. Midland, Texas 79701

Sand Dollar Petroleum, Inc. Jeffrey M. Johnston P.O. Box 1324 Midland, Texas 79702

BancTexas Capital, Inc. c/o Comerica P.O. Box 650282 Dallas, Texas 75265 Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Attn: NM Permian Land Manager

McCombs Exploration, LLC 755 East Mulberry Ave., Suite 600 San Antonio, Texas 78212

Trainer Partners, Ltd. 200 W. Illinois Ave., Suite 212 Midland, Texas 79701

Brooks Oil & Gas Interests, Ltd. 369 Montezuma #121 Santa Fe, New Mexico 87505 Attn: Mr. David K. Brooks

Michael A. Short 1309 Brighton Place Midland, Texas 79705

Case No. 21360

McGuire Family, LLC

4925 Greenville Ave., Suite 945

Dallas, Texas 75206 Attn: Travis Sample Stroube Energy, Inc.

18208 Preston Road, Suite D9249

Dallas, Texas 75252 Attn: Frank Stroube

F.M. Mayer Investments

P.O. Box 5083

Denver, Colorado 80517

4. PERCENTAGES OF THE PARTIES:

Initial, Substitute and Subsequent Wells

Mewbourne Oil Company

Occidental Permian Limited Partnership

McCombs Exploration, LLC

Great Western Drilling Ltd.

Trainer Partners, Ltd.

Sand Dollar Petroleum, Inc.

Brooks Oil & Gas Interests, Ltd.

BancTexas Capital, Inc.

Jeffrey M. Johnston

Michael A. Short

McGuire Family, LLC

Stroube Energy, Inc.

F.M. Mayer Investments

Charlene Calvert Willie

5. OIL AND GAS LEASES SUBJECT TO THIS AGREEMENT:

Lease No. 1:

Lease Serial No. NMNM 0556290. Date: March 1, 1965.

Lessor: United States of America.

Lessee: C.R. Craig. Recorded: Unrecorded.

Description: Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico

Section 15: ONLY INSOFAR as the lease covers the N2,

containing 320.00 acres, more or less.

Lease No. 2:

Lease Serial No. NMNM 129730. Date: April 1, 2013.

Lessor:

United States of America.

Lessee:

Daniel E. Gonzales.

Recorded:

Unrecorded.

Description:

Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico

Section 14: NW4,

containing 160.00 acres, more or less.

6. <u>BURDENS ON PRODUCTION</u>:

Burdens of Record.

End of Exhibit "A"

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 B3EF Fed Com #1H well, which will be horizontally drilled from a surface location in Unit E in Section 15 to a bottom hole location in Unit F in Section 14, Township 20 South, Range 29 East in Eddy County. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well is located approximately 10 miles northeast of Carlsbad, New Mexico.

Case No. 21360

MEWBOURNE OIL

Exhibit A-10



HINKLE SHANOR LLP

ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER:

Case No. 21360

MEWBOURNE OIL

Exhibit A-11

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

July 14, 2020

VIA CERTIFIED MAIL

BancTexas Capital, Inc. P.O. Box 650282 Dallas, TX 75265

Re: Mewbourne Oil Company NMOCD Applications

Dear Sir or Madam:

Enclosed are copies of three applications for compulsory pooling that Mewbourne Oil Company ("Mewbourne") has filed with the New Mexico Oil Conservation Division ("the Division"). The applications request the following.

- 1. In Case No. 21358, Mewbourne seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation in a 480-acre, more or less, standard proximity tract horizontal spacing unit comprised of the N/2 of Section 15 and the NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 W0EF Fed Com #1H well.
- 2. In Case No. 21359, Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 15 and the N/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 B3DC Fed Com #1H well.
- 3. In Case No. 21360, Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Section 15 and the S/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 B3EF Fed Com #1H well.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 6, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the Division's Hearings website: http://www.emnrd.state.nm.us/OCD/hearings.html. BancTexas Capital, Inc. ("BancTexas") is not required to attend the hearing, but as an owner of an interest that may be affected by Mewbourne's application, it may appear at the hearing and present testimony. If BancTexas does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, July 30, 2020. The Pre-Hearing Statement must be filed with the Division and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

ery truly yours

Dana S. Hard

Enclosure

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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: BancTexas Capital, Inc. P.O. Box 650282 Dallas, TX 75265	A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below:
9590 9402 5941 0062 9815 84 2 Article Number (Transfer from sentice label) 7017 2970 0000 7642 96	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	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. Article Addressed to: Estate of Charlene Calvert Willie 9427 Canyon Mist Helotes, TX 78023	A. Signature X
9590 9402 5941 0062 9815 15 2. Article Number (Transfer from service lahel) 1000 7642 76	(over \$500)
PS Form 3811, July 2015 PSN 7530-02-000-9053	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. Article Addressed to: F.M. Mayer Investments P.O. Box 5083 Denver, CO 80517	A. Signeture X. Agent Addressee B. Received by (Printed Name) D. Is delivery address different from them 1? Yes If YES, enter delivery address below:
9590 9402 5941 0062 9815 22 2. Article Number (Transfer from service label)	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mall® □ Certified Mall® □ Certified Mall Restricted Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Called Mall® □ Restricted Delivery □ Registered Mail Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation Restricted Delivery □ Signature Confirmation Restricted Delivery

COMPLETE THIS SECTION ON DELIVERY **SENDER: COMPLETE THIS SECTION** Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. Date of Delivery B. Received by (Printed Name) Attach this card to the back of the mailpiece, COVID-19or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: Jeffrey M. Johnston 400 West Illinois, Suite 1600 Midland, TX 79701 Service Type ☐ Priority Mall Express® Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ 9590 9402 5941 0062 9815 39 ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery 2 Article Number (Transfer from service label) Signature Confirmation all Restricted Delivery 7019 2970 0000 7642 Restricted Delivery Domestic Return Receipt PS Form 3811, July 2015 PSN 7530-02-000-9053 U.S. Postal Service" CERTIFIED MAIL® RECEIPT Domestic Mail Only 믬 ertified Mall Fee 75 Extra Services & Fees (check box, add fee as appropriate Return Receipt (hardcopy) 0000 Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$ 70 ostage 1 Total Postage and Fees 0 Sent To 701 McGuire Family, LLC Street and Apt. No., or PO Box N 4925 Greenville Ave, Ste 945 Dallas, TX 75206 COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse X ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: Michael A. Short

	A ALTON A SPECIAL AND LANGUAGE AND
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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: Sand Dollar Petroleum, Inc. 400 West Illinois, Suite 1600 Midland, TX 79701 	A. Signature Agent Addressee
	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Insured Mail □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery □ Restricted Delivery □ Restricted Delivery
A CONTROL OF THE PROPERTY OF T	
PS Form 3811, July 2015 PSN 7530-02-000-9053	. Domestic Return Receipt
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt
PS Form 3811, July 2015 PSN 7530-02-000-9053 SENDER: COMPLETE THIS SECTION	Domestic Return Receipt COMPLETE THIS SECTION ON DELIVERY
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,	Make the control of the control of
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.	A. Signature A. Signature A. Signature Addressed B. Received by (Printed Name) C. Date of Delivery
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.	A. Signature A. Signature A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery C. DATE OF DELIVERY
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. Article Addressed to: Trainer Partners, Ltd. 200 W. Illinois Avenue, Suite 212 Midland, TX 79701 Midland, TX 79701	A. Signature A. Signature A. Signature Addressed B. Received by (Printed Name) C. Date of Deliven



This is to notify all interested parties, including Trainer Partners, Ltd., Sand Dollar Petroleum, Inc., Jeffrey M. Johnston, BancTexas Capital, Inc., F.M. Mayer Investments, Estate of Charlene Calvert Willie, Deceased, McGuire Family, LLC, Attn: Travis Sample, Michael A. Short, and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 21360). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 6, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/hearings.html. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less,

seeks an order pooling all uncommitted mineral interests in the Bone Spring formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the 5/2 N/2 of Section 15 and the 5/2 NW/4 of Section 14, Township 20 South, Range 29 East in Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the Ithaca 15/14 B3EF Fed Com #1H well, which will be horizontally drilled from a surface location in Unit E in Section 15 to a bottom hole location in Unit F in Section 14, Township 20 South, Range 29 East in Eddy County. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation.

costs of drilling and completing the well and the allocation of the costs, the designation of Mewbourne Oil Company as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well is located approximately 10 miles northeast of Carlsbad, New

4281949, Current-Argus, July 15, 2020

Affidavit of Publication Ad # 0004281949 This is not an invoice

HINKLE SHANOR LLP 218 MONTEZUMA

SANTA FE, NM 87501

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:

07/15/2020

On (10

Legal Clerk

Subscribed and sworn before me this July 15, 2020:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

SHELLY HORA Notary Public State of Wisconsin

Ad # 0004281949 PO #: 15-14B3EF # of Affidavits1

This is not an invoice

Case No. 21360

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: ITHACA 15/14 B3EF FED COM #1H		Pros	pect: 3F	RD BSS					
Location: SHL: 1390 FNL & 205 FWL (15); BHL: 2280 FNL & 2540 FN	Co	ounty: Eddy ST: N							
Sec. 15 Blk: Survey:		205	September 1	29E Prop. TVI	D: 9200	TMD: 16620			
			No. Section Section 17.			66			
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys			0180-010	TCP \$20,000	0180-0200	СС			
Location / Road / Site / Preparation			0180-010		0180-0205	\$40,000			
Location / Restoration			0180-010		0180-0206	\$30,000			
Daywork / Turnkey / Footage Drilling 24 days drlg / 3 days comp @ \$2150	00/d		0180-011		0180-0210	\$68,900			
Fuel 1700 gal/day @ 2.74/gal			0180-011		0180-0214	\$170,000			
Mud, Chemical & Additives			0180-012	\$200,000	0180-0220				
Horizontal Drillout Services					0180-0222	\$200,000			
Cementing			0180-012		0180-0225	\$30,000			
Logging & Wireline Services Casing / Tubing / Snubbing Service			0180-013			\$230,000			
Mud Logging		-	0180-013		0180-0234	\$90,000			
Stimulation 30 Stg 15 MM gal / 15 MM lb		\neg	0100-013	\$30,000	0180-0241	\$1,250,000			
Stimulation Rentals & Other		\neg			0180-0242	\$200,000			
Water & Other			0180-014	\$60,000		\$400,000			
Bits			0180-014			\$8,000			
Inspection & Repair Services			0180-015	\$40,000	0180-0250	\$5,000			
Misc. Air & Pumping Services			0180-015	4	0180-0254	\$10,000			
Testing & Flowback Services			0180-015	\$15,000	0180-0258	\$30,000			
Completion / Workover Rig					0180-0260	\$10,500			
Rig Mobilization			0180-016			2220000			
Transportation			0180-016		0180-0265	\$20,000			
Welding Services			0180-016		0180-0268	\$15,000			
Contract Services & Supervision Directional Services Includes Vertical Control		-	0180-017		0180-0270	\$70,500			
Directional Services Includes Vertical Control Equipment Rental		-	0180-017		0180-0280	\$30,000			
Well / Lease Legal		_	0180-018		0180-0280	\$30,000			
Well / Lease Insurance			0180-018		0180-0285				
Intangible Supplies			0180-018			\$10,000			
Damages			0180-019		0180-0290	\$10,000			
ROW & Easements			0180-0192		0180-0292	\$5,000			
Pipeline Interconnect					0180-0293	\$50,000			
Company Supervision			0180-019	\$124,800	0180-0295	\$100,800			
Overhead Fixed Rate			0180-0196		0180-0296	\$20,000			
Well Abandonment			0180-019		0180-0298				
Contingencies 2% (TCP) 2% (CC)			0180-019		0180-0299	\$62,100			
	TO	TAL		\$2,489,700		\$3,165,800			
TANGIBLE COSTS 0181									
Casing (19.1" - 30") 400- 20" 94# X-56 BTC KAWASAKI NEW @ 75	5.20/ft		0181-079						
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$38.48/ft			0181-079						
Casing (8.1" - 10.0") 3100' - 9 5/8" 36# HCL80 LT&C @ \$24.67/ft			0181-079						
Casing (6.1" - 8.0") 9475' - 7" 29# HCP-110 LT&C @ \$23.84/ft			0181-0796	\$241,300	2121 2727	2404000			
Casing (4.1" - 6.0") 8050' - 4 1/2" 13.5# P-110 BPN @ \$12.16/ft				-	0181-0797	\$104,600 \$49,600			
Tubing 8615' - 2 7/8" 6.5# L-80 EUE 8rd @ \$5.38/ft Drilling Head		_	0181-0860	\$40,000	0181-0798	\$49,000			
Tubing Head & Upper Section			0101-0000	940,000	0181-0870	\$50,000			
Horizontal Completion Tools Completion Liner Hanger					0181-0871	\$70,000			
Sucker Rods					0181-0875				
Subsurface Equipment					0181-0880	\$10,000			
Artificial Lift Systems Gas Lift Valves & Packer					0181-0884	\$15,000			
Pumping Unit					0181-0885				
Surface Pumps & Prime Movers VRU/SWD Pump/Circ Pump					0181-0886	\$30,000			
Tanks - Oil 1/2 - 6 - 750 bbl					0181-0890	\$75,000			
Tanks - Water 1/2 - 5 - 750 bbl coated	(DT.E.L.				0181-0891	\$57,500			
Separation / Treating Equipment 1/2 GB/30"x10"x1k# 3 ph/36"x15'x1k#1/2\\ Heater Treaters, Line Heaters 8"x20"x75# HT	vK1/Flare	_			0181-0895 0181-0897	\$89,000 \$27,000			
Metering Equipment					0181-0897	\$27,000			
Line Pipe & Valves - Gathering		-			0181-0898	\$50,000			
Fittings / Valves & Accessories		\neg			0181-0906	\$100,000			
Cathodic Protection					0181-0908	\$125,000			
Electrical Installation	***************************************				0181-0909	\$50,000			
Equipment Installation					0181-0910	\$70,000			
Pipeline Construction					0181-0920	\$100,000			
	TOT	TAL		\$450,700		\$1,087,700			
	Service Arms								
	SUBTO	IAL		\$2,940,400		\$4,253,500			
TOTAL V	VELL COS	T		\$7,1	93,900				
Extra Expense Insurance		do la	W-1488						
I elect to be covered by Operator's Extra Expense Insurance a	and pay my pro	oporti	ionate sha	re of the premium	1.				
Operator has secured Extra Expense Insurance covering costs of						180-0185.			
I elect to purchase my own well control insurance policy.									
	0		Unam						
If neither box is checked above, non-operating working interest owner elects to be covered by	operator's well	contro	i insurance.						
Prepared by: T. Cude		Date:	11/22/20	19					
		Date							
Company Approval:		Date:							
Joint Owner Interest: Amount:									
	Signature:	· Val							
Joint Owner Name:	A STATE OF THE STA	Per chill		ST 100 0000 (100 (100 (100 (100 (100 (100					

Case No. 21360
MEWBOURNE OIL
Exhibit A-13

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

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

Case No. 21360

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a geologist at Mewbourne Oil Company ("Mewbourne"). I am familiar with the geological matters that pertain to Mewbourne's application.
- 3. I have previously testified before the New Mexico Oil Conservation Division as an expert in geology, and my qualifications were accepted.
- 4. A general location map of the proposed horizontal spacing unit ("HSU") is attached as Exhibit B-1.
- 5. A structure map of the top of the Wolfcamp formation is attached as Exhibit B-2. The map shows that the structure dips gently to the east-southeast. It also shows a line of cross section and the HSU for the proposed Ithaca 15/14 B3EF Fed Com #1H well.
- 6. Attached as Exhibit B-3 is a gross sand isopach map of the 3rd Bone Spring Sand formation, which is the target zone for the proposed well. It shows that the sand across the HSU has an approximate thickness of 400-450 feet.

Case No. 21360

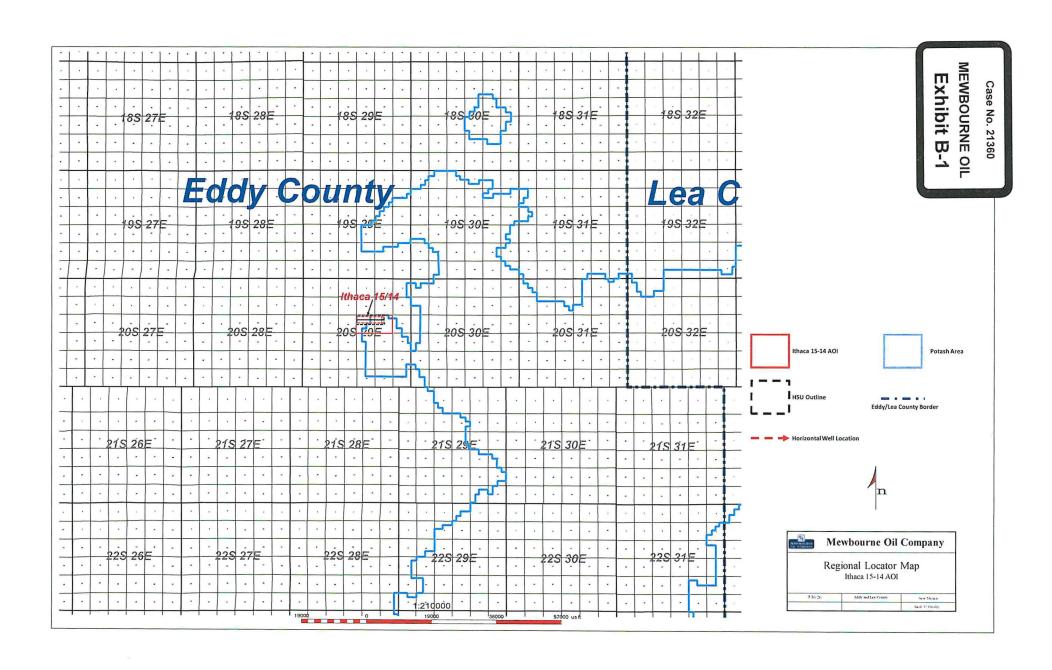
MEWBOURNE OIL

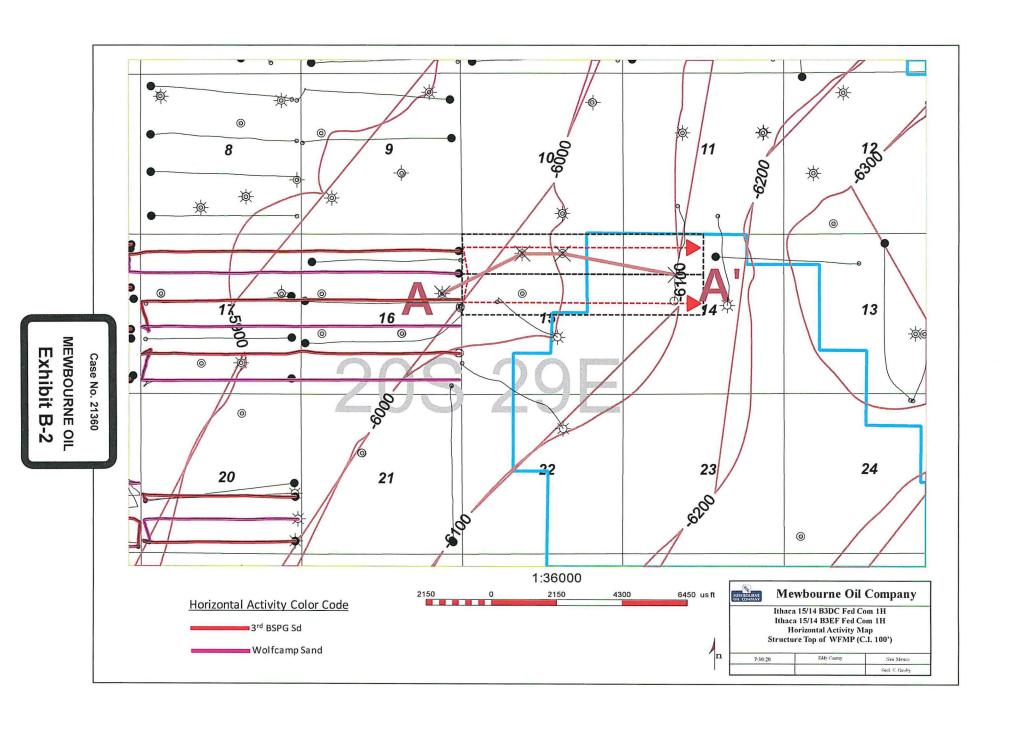
- 7. Attached as Exhibit B-4 is a west to east cross section. The well logs on the cross section provide a representative sample of the 3rd Bone Spring Sand formation in the area. The target zone for the proposed well is continuous across the HSU.
- 8. Attached as Exhibit B-5 is a table containing production data from other Bone Spring wells drilled in the vicinity. The preference is for laydown wells (west to east or east to west), and the completed wells in the area (recent completions) apparently are commercial.
- 9. Exhibit B-6 is a Well Planning Report for the proposed well. The report contains survey date of the proposed well bore. The well's producing interval will be orthodox.
 - 10. There are no depth severances in the Bone Spring formation in the proposed HSU.
 - 11. Based on the information discussed above, I am able to conclude that:
 - a) The HSU is justified from a geologic standpoint;
- b) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed well; and
- c) Each quarter-quarter section in the HSU will contribute more or less equally to production.
- 12. In my opinion, the granting of Mewbourne's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 13. Exhibits B-1 through B-6 were either prepared by me or compiled from company records.
- 14. 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 13 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

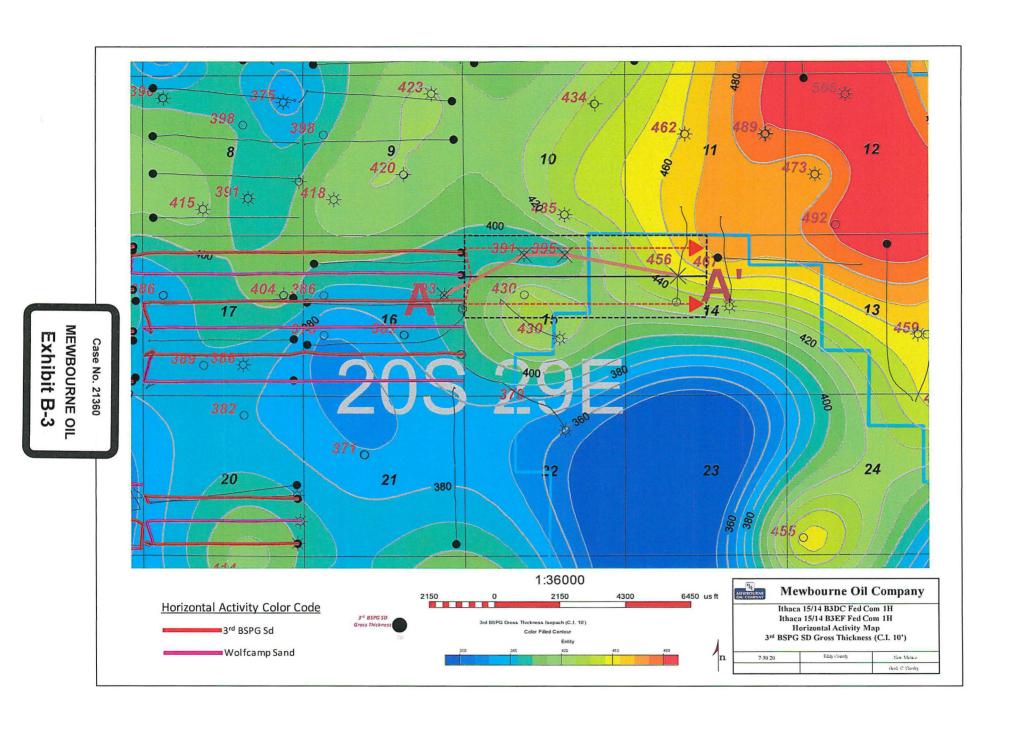
Charles Crosby

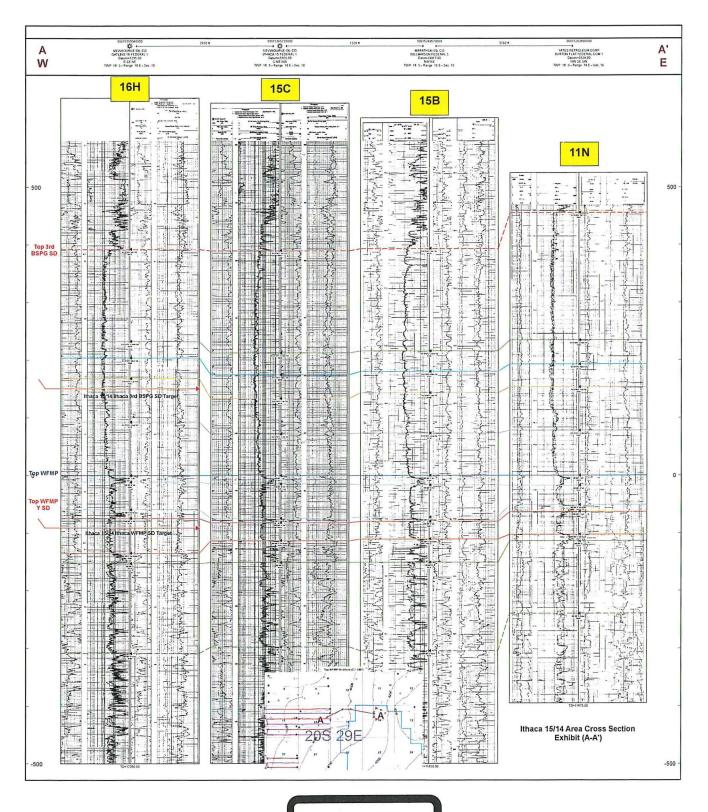
2/3/23 Date

3









Case No. 21360

Ithaca Area 3rd BSPG SD and Wolfcamp Horizontal Production Table													
Well Name	Operator	API	Location	Completion Date	Cum Oil (Mbo)	Cum Gas (Bcf)	Cum Water (Mbw)	NS/EW	Production Zone				
Glock 17/16 W0DA Fed Com 3H	Mewbourne	30015434110000	18A/20S/29E	8/31/2019	247.7	0.6	190.7	EW	Wolfcamp Sand				
Stebbins 20 Federal 134H	Matador	30015441750000	20M/20S/29E	11/8/2017	125.2	0.3	429.2	EW	3rd Bone Spring Sand				
Stebbins 20 Federal 20 Federal 204H	Matador	30015441770000	20M/20S/29E	9/15/2018	182.5	1.2	303.1	EW	Wolfcamp Sand				
Stebbins 20 Federal 133H	Matador	30015441830000	20L/20S/29E	7/14/2017	113.2	0.2	384.5	EW	3rd Bone Spring Sand				
Glock 17/16 B3DA Federal Com 2H	Mewbourne	30015457940000	18A/20S/29E	8/24/2019	197.9	0.4	428.5	EW	3rd Bone Spring Sand				
Glock 17/16 B3MP Federal Com 1H	Mewbourne	30015465870000	17M/20S/29E		Pending								
Glock 17/16 B3EH Federal Com 1H	Mewbourne	30015465880000	17L/20S/29E		Pending EW 3rd Bone Sp								
Glock 17/16 W0MP Federal Com 1H	Mewbourne	30015467330000	17M/20S/29E	Pending EW Wolfcamp Sand									
Glock 17/16 WOLI Federal Com 1H	Mewbourne	30015467460000	17L/20S/29E	Pending EW Wolfcamp Sand									

Case No. 21360

MEWBOURNE OIL

Exhibit B-5

Mewbourne Oil Company

SURVEY CALCULATION REPORT Minimum Curvature Calculations

Operator: Mewbourne Oil Company Lease Name: Ithaca 115/14 B3EF Fed Com 1H KOP 8693.54

SL: 1390 FNL & 205 FWL Sec 15/20S/29E PBHL: 2280 FNL & 2543 FWL Sec 14/20S/29E Target KBTVD: Target Angle: 9,171 Feet 88.98 Degrees 9171.00 88.98

Section Plane: Declination Corrected to True North: Bit to Survey Offset: 96.80 Degrees 6.63 Degrees

44 Feet

Survey No.	Measured Depth-ft	Drift (Deg.)	Azimuth (Deg.)	Course Length	TVD (Feet)	Vertical Section	+N/-S (Feet)	+E/-W (Feet)	Closure	Closure	BUR	DLS	KBTVD	+Above -Below Target	DRIFT (RADIANS)	AZIMUTI (RADIANS	
Т/І	8693.54	0.00	96.80	N/A	8693.5	0.0	0.0	0.0	0.0	0.0	N/A	N/A	8693.5	477.5	1E-12	1.69	#VALUE!
1	8767.68	8.90	96.80	74.147	8767.4	5.7	-0.7	5.7	5.7	96.8	12.0	12.0	8767.3	403.7	0.155292979	1.69	0.155293
2	8841,83	17.80		74.147	8839.5	22.8	-2.7	22.7	22.8	96.8	12.0	12.0	8839.0	332.0	0.310585958	1.69	0.155293
3	8915.98	26.69	96.80	74.147	8908.0	50.9	-6.0	50.5	50.9	96.8	12.0	12.0	8907.1	263.9	0.465878937	1.69	0.155293
4	8990.12	35.59		74.147	8971.4	89.2	-10.6	88.6	89.2	96.8	12.0	12.0	8969.8	201.2	0.621171916	1.69	0.155293
5	9064.27	44.49		74.147	9028.1	136.8	-16.2	135.9	136.8	96.8	12.0	12.0	9025.7	145.3	0.776464895	1.69	0.155293
6	9138.42	53.39		74.147	9076.8	192.7	-22.8	191.3	192.7	96.8	12.0	12.0	9073.3	97.7	0.931757874	1.69	0.155293
7	9212.56	62.28	96.80	74.147	9116.2	255.4	-30.2	253.6	255.4	96.8	12.0	12.0	9111.7	59.3	1.087050853	1.69	0.155293
8	9286.71	71.18	96.80	74.147	9145.5	323.4	-38.3	321.2	323.4	96.8	12.0	12.0	9139.7	31.3	1.242343832	1.69	0.155293
9	9360.86	80.08	96.80	74.147	9163.9	395.2	-46.8	392.4	395.2	96.8	12.0	12.0	9156.8	14.2	1.397636811	1.69	0.155293
10	9435.00	88.98	96.80	74.147	9170.9	468.9	-55.5	465.6	468.9	96.8	12.0	12.0	9162.5	8.5	1.55292979	1.69	0.155293
11	9500.00	88.98	96.80	64.995	9172.1	533.9	-63.2	530.2	533.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
12	9600.00	88.98	96,80	100	9173.9	633.9	-75.1	629.4	633.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
13	9700.00	88.98	96.80	100	9175.7	733.9	-86.9	728.7	733.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
14	9800.00	88.98	96.80	100	9177.4	833.9	-98.7	828.0		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
15	9900.00	88.98	96.80	100	9179.2	933.9	-110.6	927.3	933.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
16	10000.00	88.98	96.80	100	9181.0		-122.4	1026.6		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
17	10100.00	88.98	96.80	100	9182.8	1133.8	-134.3	1125.8		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	IE-10
18	10200.00	88.98	96.80	100	9184.6		-146.1	1225.1	1233.8	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
19	10300.00	88.98	96.80	100	9186.4	1333.8	-157.9	1324.4		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
20	10400.00	88.98	96.80	100	9188.2		-169.8	1423.7		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
21	10500.00	88.98		100	9190.0		-181.6	1523.0		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	IE-10
22	10600.00	88.98	96.80	100	9191.7	1633.7	-193.4	1622.3		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
23	10700.00	88.98		100	9193.5	1733.7	-205.3	1721.5		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
24	10800.00	88.98	96.80	100	9195.3	1833.7	-217.1	1820.8 1920.1		96.8	0.0	0.0	9162.5	8.5 8.5	1.55292979	1.69	1E-10 1E-10
25	10900.00	88.98	96.60	100	9197.1 9198.9	1933.7 2033.7	-229.0 -240.8	2019.4	1933.7 2033.7	96.8 96.8	0.0	0.0	9162.5 9162.5	8.5	1.55292979	1.69	1E-10
26 27	11000.00	88.98		100	9198.9	2133.7	-240.8			96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
28	11100.00	88.98		100	9202.5		-264.5	2217.9		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
29	11200.00 11300.00	88.98 88.98		100	9202.3		-276.3	2317.2		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
30	11400.00	88.98	96.80	100	9206.0		-288.2			96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
31	11500.00	88.98		100	9207.8	2533.6	-300.0	2515.8		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
32	11600.00	88.98		100	9209.6		-311.8	2615.1	2633.6	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	IE-10
33	11700.00	88.98		100	9211.4	2733.6	-323.7	2714.3		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
34	11800.00	88.98		100	9213.2		-335.5	2813.6		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
35	11900.00	88.98		100	9215.0		-347.4			96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
36	12000.00	88.98		100	9216.7	3033.5	-359.2			96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
37	12100.00	88.98	96.80	100	9218.5	3133.5	-371.0	3111.5	3133.5	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
38	12200.00	88.98	96.80	100	9220.3	3233.5	-382.9	3210.7	3233.5	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
39	12300.00	88.98	96.80	100	9222.1	3333.5	-394.7	3310.0	3333.5	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
40	12400.00	88.98	96.80	100	9223.9	3433.5	-406.6	3409.3	3433.5	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
41	12500.00	88.98	96.80	100	9225.7	3533.4	-418.4	3508.6	3533.4	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
42	12600.00	88.98	96.80	100	9227.5	3633.4	-430.2	3607.9	3633.4	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
43	12700.00	88.98	96.80	100	9229.3	3733.4	-442.1	3707.1	3733.4	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
44	12800.00	88.98	96.80	100	9231.0	3833.4	-453.9	3806.4	3833.4	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
45	12900.00	88.98	96.80	100	9232.8	3933.4	-465.7	3905.7	3933.4	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
46	13000.00	88.98	96.60	100	9234.6		-477.6	4005.0		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
47	13100.00	88.98	96.80	100	9236.4	4133.3	-489.4	4104.3		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
48	13200.00	88.98	96.80	100	9238.2		-501.3	4203.5		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
49	13300.00	88.98	96.80	100	9240.0		-513.1	4302.8		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
50	13400.00	88.98	96.80	100	9241.8		-524.9	4402.1	4433.3	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	IE-10
51	13500.00	88.98	96.80	100	9243.5		-536.8	4501.4		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
52	13600.00	88.98		100	9245.3	4633.3	-548.6	4600.7		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
53	13700.00	88.98	96.80	100	9247.1	4733.2	-560.5	4700.0		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
54	13800.00	88.98	96.80	100	9248.9		-572.3	4799.2		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
55	13900.00	88.98	96.80	100	9250.7		-584.1	4898.5		96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
56	14000.00	88.98	96.80	100	9252.5	5033.2	-596.0	4997.8	5033.2	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10

Case No. 21360

57	14100.00	88.98	96.80	100	9254.3	5133.2	-607.8	5097.1	5133.2	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
58	14200.00	88.98	96.80	100	9256.1	5233.2	-619.7	5196.4	5233.2	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
59	14300.00	88.98	96.80	100	9257.8	5333.2	-631.5	5295.6	5333.2	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
60	14400.00	88.98	96.80	100	9259.6	5433.1	-643.3	5394.9	5433.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
61	14500.00	88.98	96.80	100	9261.4	5533.1	-655.2	5494.2	5533.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
62	14600.00	88.98	96.80	100	9263.2	5633.1	-667.0	5593.5	5633.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
63	14700.00	88.98	96.80	100	9265.0	5733.1	-678.8	5692.8	5733.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
64	14800.00	88.98	96.80	100	9266.8	5833.1	-690.7	5792.0	5833.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
65	14900.00	88.98	96.80	100	9268.6	5933.1	-702.5	5891.3	5933.1	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
66	15000.00	88.98	96.80	100	9270.3	6033.0	-714.4	5990.6	6033.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
67	15100.00	88.98	96.80	100	9272.1	6133.0	-726.2	6089.9	6133.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
68	15200.00	88.98	96.80	100	9273.9	6233.0	-738.0	6189.2	6233.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
69	15300.00	88.98	96.80	100	9275.7	6333.0	-749.9	6288.4	6333.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
70	15400.00	88.98	96.80	100	9277.5	6433.0	-761.7	6387.7	6433.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
71	15500.00	88.98	96.80	100	9279.3	6533.0	-773.6	6487.0	6533.0	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
72	15600.00	88.98	96.80	100	9281.1	6632.9	-785.4	6586.3	6632.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
73	15700.00	88.98	96.80	100	9282.9	6732.9	-797.2	6685.6	6732.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
74	15800.00	88.98	96.80	100	9284.6	6832.9	-809.1	6784.8	6832.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
75	15900.00	88.98	96.80	100	9286.4	6932.9	-820.9	6884.1	6932.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
76	16000.00	88.98	96.80	100	9288.2	7032.9	-832.8	6983.4	7032.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
77	16100.00	88.98	96.80	100	9290.0	7132.9	-844.6	7082.7	7132.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
78	16200.00	88.98	96.80	100	9291.8	7232.9	-856.4	7182.0	7232.9	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
79	16300.00	88.98	96.80	100	9293.6	7332.8	-868.3	7281.2	7332.8	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
80	16400.00	88.98	96.80	100	9295.4	7432.8	-880.1	7380.5	7432.8	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
81	16500.00	88.98	96.80	100	9297.1	7532.8	-891.9	7479.8	7532.8	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
82	16600.00	88.98	96.80	100	9298.9	7632.8	-903.8	7579.1	7632.8	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10
83	16662.97	88.98	96.80	62.968	9300.1	7695.7	-911.2	7641.6	7695.7	96.8	0.0	0.0	9162.5	8.5	1.55292979	1.69	1E-10