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

APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL INTEREST OWNERS UNDER THE TERMS OF ORDER NO. R-21053, EDDY COUNTY, NEW MEXICO

CASE NO. 21933 ORDER NO. R-21053

MEWBOURNE OIL COMPANY'S HEARING EXHIBITS

Exhibit A	Self-Affirmed Statement of Lee Scarborough
A-1	Application & Proposed Notice of Hearing
A-2	Division Order No. R-21053
A-3	Drilling Extension Approval
A-4	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
A-5	Well Proposal & AFE(s)
A-6	Communication Log
A-7	Hearing Notice Letter and Return Receipts
A-8	Affidavit of Publication

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

APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL INTEREST OWNERS UNDER THE TERMS OF ORDER NO. R-21053, EDDY COUNTY, NEW MEXICO

CASE NO. 21933 ORDER NO. R-21053

SELF-AFFIRMED STATEMENT OF LEE SCARBOROUGH

- 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 landman for Mewbourne Oil Company ("Mewbourne"). I am familiar with Mewbourne's application in this case and with the status of the lands in the subject area. A copy of Mewbourne's application and proposed notice are 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.
- 4. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 5. Division Order No. R-21053 ("Order"), entered on December 29, 2019 in Case No. 20929, created a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 13, Township 19 South, Range 28 East and the N/2SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico ("Unit"), and designated Mewbourne as the operator of the Unit. Additionally, the Order pooled the uncommitted interests in the Bone Spring formation (Scanlon Draw; Bone Spring pool (55510)). and dedicated the Unit to the following wells:

MEWBOURNE OIL COMPANY Case No. 21933 Exhibit A

- a. Rattlesnake 13/18 B2LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and
- b. Rattlesnake 13/18 B3LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East.
- 6. Exhibit A-2 contains a copy of Order No. R-21053.
- 7. On December 15, 2020, the Division granted Mewbourne's request for a time extension to commence drilling the wells authorized under the Order to January 31, 2022. A copy of the Division's extension approval is attached as **Exhibit A-3**.
- 8. Since the Order and extension were issued, Mewbourne determined there are additional interest owners in the Unit whose interests should be pooled under the terms of the Order.
- 9. **Exhibit A-4** provides a plat of the tracts included in the Unit, identifies the interests in each tract included in the Unit, and identifies the additional uncommitted interests to be pooled under the terms of the Order.
- 10. **Exhibit A-5** contains a sample well proposal and AFEs sent to the additional interest owners.
- 11. In my opinion, Mewbourne has made a good-faith effort to reach voluntary joinder of the additional interest owners in the well as indicated by the chronology of contact described in **Exhibit A-6**.

12. Notice of Mewbourne's application and the Division hearing was provided to the additional parties more than 20 days prior to the hearing date. The notice letter and associated receipts are attached as **Exhibit A-7**.

13. Notice of Mewbourne's application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as **Exhibit** A-8.

14. Mewbourne requests the additional uncommitted interests be pooled under the terms of Order No. R-21053.

15. In my opinion, the granting of Mewbourne's application would serve the interests of conservation and the prevention of waste.

16. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

17. 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 16 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.

Lee Scarborough

Date

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

APPLICATION OF MEWBOURNE OIL COMPANY TO POOL ADDITIONAL INTEREST OWNERS UNDER THE TERMS OF ORDER NO. R-21053, EDDY COUNTY, NEW MEXICO

Case No. 21933 Order No. R-21053

APPLICATION

Mewbourne Oil Company ("Mewbourne"), by and through the undersigned counsel, files this application with the Oil Conservation Division ("Division") to pool additional interest owners under the terms of Order No. R-21053. In support of its application, Mewbourne states the following:

- 1. Division Order No. R-21053 ("Order"), entered on January 29, 2020 in Case No. 20929, created a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico ("Unit"), and designated Mewbourne as the operator of the Unit.
- 2. The Order further pooled the uncommitted interests in the Bone Spring formation (Grama Ridge; Bone Spring NE Pool, Code 28435) and dedicated the Unit to the following wells: Rattlesnake 13/18 B2LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and Rattlesnake 13/18 B3LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19

MEWBOURNE OIL COMPANY Case No. 21933

South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East.

- 3. On December 15, 2020, the Division granted Mewbourne's request for a time extension to commence drilling the wells authorized under the Order to January 31, 2022.
- 4. Since the above-described order and extension were issued, Mewbourne has determined there are additional interest owners in the Unit whose interests should be pooled under the terms of the Order.
- 5. The pooling of the additional interest owners under the Order will prevent waste, protect correlative rights, and promote administrative efficiency.
- 6. In order to permit Mewbourne to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled in the Unit under the terms of the Order.

WHEREFORE, Mewbourne requests that this application be set for hearing before the Division on June 3, 2021, and after notice and hearing as required by law, the Division issue an order pooling the additional interest owners under the terms of Order No. R-21053.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Michael Rodriguez P.O. Box 2068

Santa Fe, NM 87504-2068

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

Counsel for Mewbourne Oil Company

Application of Mewbourne Oil Company to Pool Additional Interest Owners Under the Terms of Order No. R-21053, Eddy County, New Mexico. Applicant seeks to pool additional interest owners under the terms of Oil Conservation Division Order No. R-21053 ("Order"), which created a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico ("Unit"), and designated Mewbourne as the operator of the Unit. The Order further pooled the uncommitted interests in the Bone Spring formation (Grama Ridge; Bone Spring NE Pool, Code 28435) and dedicated the Unit to the following wells: Rattlesnake 13/18 B2LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and Rattlesnake 13/18 B3LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East. On December 15, 2020, the Division granted Mewbourne's request for a time extension to commence drilling the wells authorized under the Order to January 31, 2022. Since the above-described order and extension were issued, Mewbourne has determined there are additional interest owners in the Unit whose interests should be pooled under the terms of the Order. The wells are located approximately 14 miles northeast of Carlsbad, New Mexico.

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO CONSIDER:

CASE NO. 20929 ORDER NO. R-21053

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on December 12, 2019, at Santa Fe, New Mexico, before Examiner Dylan Coss.

NOW, on this 29th day of January 2020, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) Cimarron Energy, Magnum Hunter Production Inc, and MRC Permian Compay entered an appearance. No other party appeared or otherwise opposed the case.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.

MEWBOURNE OIL COMPANY Case No. 21933

- (b) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.
- (c) Notice to certain affected parties was posted in a newspaper of general circulation in the county as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

- (6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.
- (7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.
- (8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).
 - (9) There are interest owners in the Unit that have not agreed to pool their interests.
- (10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.
- (11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.
- (12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.
- (13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

IT IS THEREFORE ORDERED THAT

- (1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.
 - (2) The Unit shall be dedicated to the proposed "Well(s)".
- (3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.
- (4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.
- (5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.
- (8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.
- (9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.
- (10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the

Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

- (11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."
- (12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.
- (13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.
- (14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:
 - (a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and
 - (b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.
- (15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs"

reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

- (16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.
- (17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.
- (18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).
- (19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.
- (20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.
- (21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.
- (22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

SEAL

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

Director

Exhibit "A"

Applicant:

Mewboume Oil Company

Operator:

Mewboume Oil Company (OGRID 14744)

Spacing Unit:

Horizontal Oil

Building Blocks:

guarter-guarter sections 240 acres, more or Jess

Spacing Unit Size: Orientation of Unit:

West to East

Spacing Unit Description:

N/2 S/2 of Section 13. Township 19 South, Range 28 East and the N/2 SW/4 of Section 18. Township 19 South, Range 29 East in Eddy County.

Pooling this Vertical Extent:

Bone Spring Formation

Depth Severance? (Yes/No):

Pool:

Scanlon Draw; Bone Spring (55510)

Pool Spacing Unit Size:

quarter-quarter sections

Governing Well Setbacks:

Horizontal Oil Well Rules Latest Horizontal Rules apply.

Pool Rules:

Proximity Tracts:

None Included

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Rattlesnake 13/18 B2LK State Com #IH

SHL: 2130 feet from the South line and 205 feet from the West line,

(Unit L) of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County.

BHL: 2100 feet from the South line and 229S feet from the West line,

(Unit K) of Section 18, Township 19 South, Range 29 East, NMPM, Eddy County.

Completion Target: Second Bone Spring Sand at approx 7,750 feet TVD.

Well Orientation: West to East

Completion Location expected to be: standard.

Rattlesnake 13/18 B3LK State Com #IH

SHL: 2100 feet from the South line and 205 feet from the West line,

(Unit L) of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County.

BHL: 2100 feet from the South line and 229S feet from the West line,

(Unit K) of Section 18, Township 19 South, Range 29 East, NMPM, Eddy County.

Completion Target: Third Bone Spring Sand at approx 8,750 feet TVD. Well Orientation: West to East

Completion Location expected to be: standard.

State of New Mexico Energy, Minerals and Natural Resources Department

Adrienne Sandoval, Director

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Deputy Secretary

Cabinet Secretary

Oil Conservation Division

Todd E. Leahy, JD, PhD

SETTE OF NEW MESTOS

OR OF NEW

December 15, 2020

Mewbourne Oil Company c/o Lee M. Scarborough, Landman lscarborough@mewbourne.com 500 West Texas Avenue Suite 1020 Midland, Texas 79701

RE: Request for Time Extension to Commence drilling

Case No. 20929, R-21053 approved date January 29, 2020

Deadline to commence drilling January 31, 2021 Applicant/Operator: Mewbourne Oil Company

Proposed Well:

Rattlesnake 13/18 B2LK Federal Com Well No. 1H, API 30-015-Pending Rattlesnake 13/18 B3LK Federal Com Well No. 1H, API 30-015-Pending

Dear Sir or Madam:

The following pertains to your request received by the Division on December 14th, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "market conditions encountered earlier in the year, compounded by various COVID issues, delayed the drilling program." There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to, January 31, 2022.

The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL

Director AS/jag

CC:

Oil Conservation Division - Artesia District Office;

MEWBOURNE OIL COMPANY Case No. 21933

MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020 MIDLAND, TEXAS 79701-4279

RECEIVED

DEC 1 4 2020

TELEPHONE (432) 682-3715

Initial: engineering (Cert)

November 16, 2020

Via Certified Mail

New Mexico Energy, Minerals, and Natural Resources Department 1220 South St. Francis Drive Santa Fe, NM 87505 Attention: Leonard Lowe

Re: Compulsory Pooling Order Extension Request for Order No. R-21053
Rattlesnake 13/18 B2LK Federal Com #1H & Rattlesnake 13/18 B3LK Federal Com #1H
N/2S/2 of Section 13 & N/2SW/4 of Section 18
Township 19 South, Range 29 East, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne"), as Operator, previously filed with the New Mexico Oil Conservation Division ("NMOCD") for compulsory pooling regarding the above captioned lands in Eddy County, New Mexico as to the Bone Spring Formation. The application was approved by the NMOCD on January 29, 2020 under order No. R-21053.

Mewbourne respectfully requests from the NMOCD a one-year extension to said compulsory pooling order. Mewbourne still plans to drill the Rattlesnake 13/18 B2LK Federal Com #1H and Rattlesnake 13/18 B3LK Federal Com #1H wells; however, market conditions encountered earlier in the year, compounded by various COVID issues, delayed our drilling program. Further, Mewbourne has been closely monitoring well results in this area and would appreciate an extension in order to collect more data from these newer wells, allowing Mewbourne the opportunity to use this knowledge to increase productivity and prevent economic waste. For these reasons, Mewbourne respectfully requests a one-year extension to commence drilling.

I have enclosed a copy of Order No. R-21053 to this letter. Should you have any questions regarding the above or need any additional information, please email me at lscarborough@mewbourne.com or call me at (432) 682-3715. Thank you for your review and consideration of our request.

Very truly yours,

MEWBOURNE OIL COMPANY

Lee M. Scarborough

Landman

Enclosure

П			ized Area	Communi	Percentage of Interst in Communitized Area	Porce	od .	Number of Acres Committeed	Number of	hor	Tract Number
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7 8105	Added Parties to Pooling	,							at cont		
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									0.0293		Roxanna Lynn Mills
	CRP XII, LLP	0	100 0000						0 0293		Suc Howard
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	Roxanna Lynn Mills	:	0.0293		Aills	Roxanna Lynn Mills			0 2050		Wanda Porter
	Sue Howard	:	0.0293			Suc Howard			0.5271		Dick Blenden
-	Faith Kennedy	:	0 2050			Faith Kennedy			0 1757		Golden E. Anderson
-	Wanda Porter	:	0.2050			Wanda Porter			0 1757		Gerald Roach
	Dick Blenden		0.5271			Dick Blenden			0 2952		Ruby Kenndy
	Golden E Anderson	:	0 1757		TSON	Golden E Anderson			0 7028		Trust Q
	Gerald Roach	:	0.1757			Gerald Roach			0.7028		Vladin, LLC
	Ruby Kenndy	:	0 2952			Ruby Kenndy			2 4501	mv. Lid	Prince Petrolcum Company, Ltd
	Trust O		0 7028			Trust Q			0 1290	IIIV. LP	HFB Investments Company, LP
	Vladin, LLC		0.7028			Vladin, LLC			20.6327	ion Inc	Magnum Hunter Production, Inc.
Lid	Prince Petroleum Company, Lld	••	2 4501		Prince Petroleum Company, I.Id	Prince Petroleur			0.2501	.00	Highland (Texas) Energy Co
LP	HFB Investments Company, LP	••	0 1290		HFB Investments Company, LP	HFB Investment			1 5001		Norman L. Stevens, III
Inc	Magnum Hunter Production, Inc.	_	20 6327		Magnum Hunter Production, Inc.	Magnum Hunter			2 2570		MRC Pennian Company
	Highland (Texas) Energy Co.		0.2501		s) Energy Co	Highland (Texas) Energy Co			0.5000		Belly R Young
	Norman L. Stevens, III	1	1.5001		ens, III	Norman L. Stevens, III			0.5000		Carolyn R Bcall
	MRC Permian Company	:	2 2570		Company	MRC Pemian Company			10.8058	P.	Alpha Energy Partners, LLC
1	Belly R. Young		0 5000			Betty R Young			21 4482		Oxy USA WTP LP
1	Carolyn R. Beall	:	0.5000		II	Carolyn R Beall			11.2448		s USA Inc
-	Alpha Energy Partners, I.I.C		10 8058		artners, LLC	Alpha Energy Partners, LLC			25.0000	in Compani. L P	Devon Energy Production Company. L P
	Oxy USA WTP LP		21 4482		I.P	Oxy USA WTP LP			0.2050	7	Mewbourne Oil Company
1	Ow USA Inc		11 2448			Oxy USA Inc		3968	e Leave LG-	Section 18 - Sta	Tract 3: NE/ISW/I of Section 18 - State Lease LG-3968
отралу. L	Devon Energy Production Company, L.	Addcd	25 0000	iny, LP	Devon Energy Production Company,	Devon Energy 1					
1	Mewbourne Oil Company		0.2050		Company	Mcwbourne Oil Company			100	74	Mewbourne Oil Company
1			ase L-6367	B - State Le	Tract 2:NW/4SW/4 of Section 18 - State Lease L-6367	Tract 2:NW/45			case 7668	tion 13 - State I.	Tract 1: N/2S/2 of Section 13 - State Lease 7668
_	Spacing Unit Ownership										Tract Ownership

68 8221
7 8103
1 7366
1 7356
1 7356
2 3359
0 1562
0 1562
0 1562
0 0781
0 4461
0 0461
0 0781
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TOTAL

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	Tract 1	Section 13	T19S-R28E	Section Plat Rattlesnake 13/18 B2LK State Com #1H and Rattlesnake 13/18 B3LK State Com #1H N/2S/2 of Section 13 & N/2SW/4 of Section 18, Eddy County, New Mexico
	Tract 2 Tract 3		T19S	Section Plat #1H and Rattlesnake 13/18 B3LK Si //4 of Section 18, Eddy County, New
	:t 3	Section 18	T19S-R29E	tate Com #1H « Mexico

MEWBOURNE OIL COMPANY Case No. 21933

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715 Fax (432) 685-4170

March 31, 2021

Certified Mail

Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102-5015 Attn: Mr. Stuart Edwards

Re: Rattlesnake 13/18 B2LK State Com #1H

Rattlesnake 13/18 B3LK State Com #1H Rattlesnake 13/18 B3MN State Com #1H Section 13, Township 19 South, Range 28 East Section 18, Township 19 South, Range 29 East

Eddy County, New Mexico

WORKING INTEREST OWNER:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill three (3) Bone Spring wells under the terms of the Rattlesnake 13/18 Prospect Operating Agreement dated June 1, 2019. These wells are detailed below:

Rattlesnake 13/18 B3LK State Com #1H (API# 30-015-45273)

Surface Location: 2,100' FSL, 205' FWL, Section 13

Bottom Hole Location: 2,100' FSL, 2,187' FWL, Section 18

Proposed Total Vertical Depth: 7,811' Proposed Total Measured Depth: 15,786'

Pool: Scanlon Draw; Bone Spring (55510) - Third Bone Spring Sand

Estimated Spud Date: end of May, 2021

Rattlesnake 13/18 B2LK State Com #1H (API# 30-015-45272)

Surface Location: 2,130' FSL, 205' FWL, Section 13

Bottom Hole Location: 2,100' FSL, 2,295' FWL, Section 18

Proposed Total Vertical Depth: 7,811' Proposed Total Measured Depth: 14,754'

Pool: Scanlon Draw; Bone Spring (55510) – Second Bone Spring Sand

Estimated Spud Date: end of June, 2021

Rattlesnake 13/18 B3MN State Com #1H (API# 30-015-46641)

Surface Location: 2,070' FSL, 205' FWL, Section 13 Bottom Hole Location: 660' FSL, 2,295' FWL, Section 18

Proposed Total Vertical Depth: 8,670' Proposed Total Measured Depth: 16,105'

Pool: Scanlon Draw; Bone Spring (55510) - Third Bone Spring Sand

Estimated Spud Date: end of July, 2021

MEWBOURNE OIL COMPANY Case No. 21933

Rattlesnake 13/18 Page 2 of 2

Mewbourne will drill these wells "back-to-back", utilizing a "walking rig", in an effort to maximize cost efficiencies by reducing mobilization charges.

Enclosed are Mewbourne's cost estimate (AFEs) for each well. A copy of the previously executed Operating Agreement is also included along with an acknowledgement and acceptance of the revised spud date and location of the initial well (Page 5, Article VI.A) and Exhibit "A". After your review, please sign and return one AFE for each well to the undersigned along with the acknowledgement below, amending the Operating Agreement.

Should you have any questions regarding the above, please email me at lscarborough@mewbourne.com or call me at (432) 682-3715.

or call me at (432) 682-3715.
Very truly yours, MEWBOURNE OIL COMPANY Lee M. Scarborough Landman
Enclosures
ACKNOWLEDGEMENT OF RECIEPT AND ACCEPTANCE OF REVISIONS TO THE RATTLESNAKE 13/18 OPERATING AGREEMENT DATED JUNE 1, 2019.
Signature:
By:
Title:

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:		Rattles	nake 13/18 B2LK State Com #1	IH	Pros	spect: Bo	ne Spring		1
Location:	L: 2130' F	SL & 205'	FWL; BHL: 2100' FSL & 2295' F	WL	Charles and Charles	ounty: Ed	The second secon		ST: NM
Sec. 13	Bik:	Survey:	(a) you have been a second of the second of	TWP:	198		28E Prop. T	/D: 7811	TMD: 14754
		INT	ANGIBLE COSTS 0180	Antique		and the same of th		The state of the s	April 10 miles
Regulatory Pe		rveys	ANGIBLE C0313 0180			0180-0100	*10.00	CODE 0 0180-0200	СС
Location / Roa		reparation				0180-0105		0 0180-0205	\$35,00
Location / Res Daywork / Tur		loon Drillin	40 4			0180-0106		0 0180-0206	
Fuel	Tikey / Fooi	lage Dimin	18 days drlg / 3 days com 1700 gal/day @ \$3/gal	np @ \$19500/d		0180-0110		0 0180-0210	\$62,50
Alternate Fuel			1100 garday @ \$0/gar			0180-0114	\$90,00	0 0180-0214 0180-0215	\$275,00
Mud, Chemica		es				0180-0120	\$60,00	0 0180-0220	
Mud - Special Horizontal Dril		oe .				0180-0121	\$100,00		
Stimulation To						-		0180-0222	\$150,00 \$25,00
Cementing						0180-0125	\$80,00		\$35,00
Logging & Wir						0180-0130	\$2,30	0180-0230	\$253,00
Casing / Tubir Mud Logging	ng / Shubbii	ng Service	5			0180-0134		0180-0234	\$40,00
Stimulation			44 Stg 14.5 MM gal / 14.	5 MM lb		0180-0137	\$15,00	0180-0241	\$1,070,00
Stimulation Re	entals & Oth	ner						0180-0241	\$1,070,00
Water & Other	Г					0180-0145	\$40,000	0 0180-0245	\$173,00
Bits Inspection & F	Popoir Consi					0180-0148		0180-0248	\$5,00
Misc. Air & Pu						0180-0150	\$50,000	0180-0250	\$5,00
Testing & Flow	vback Servi	ices				0180-0154 0180-0158	\$12,000	0180-0254 0 0180-0258	\$10,00 \$24,00
Completion / V	Vorkover R					2.35 3138	Ψ12,000	0180-0258	\$24,00 \$10,50
Rig Mobilization						0180-0164	\$120,000	0	
Transportation Welding, Cons	struction & I	Maint Son	dece			0180-0165		0180-0265	\$13,40
Contract Servi	ices & Sune	ervision	riced			0180-0168 0180-0170		0 0180-0268	\$15,00
Directional Ser	rvices		Includes Vertical Control			0180-0170	\$232,500		\$31,50
Equipment Re						0180-0180		0180-0280	\$5,00
Well / Lease L						0180-0184		0180-0284	+ 0,00
Well / Lease Ir Intangible Sup						0180-0185		0180-0285	
Damages	plies					0180-0188		0180-0288	\$1,000
Pipeline Interce		W Easeme	ents			0180-0190 0180-0192	\$10,000	0180-0290	\$10,000 \$5,000
Company Sup						0180-0195	\$138,000	0180-0295	\$63,000
Overhead Fixe	d Rate					0180-0196		0180-0296	\$20,000
Contingencies		2	% (TCP) 2% (CC)			0180-0199		0180-0299	\$50,700
				TO	DTAL		\$2,000,100		\$2,587,600
Casing (19,1" -	30")	TA	NGIBLE COSTS 0181						
Casing (10.1"			360' - 13 3/8" 54.5# J-55 ST&C @ \$3	36 5/ 0		0181-0793	\$14,000		
Casing (8.1" -	10.0")		1100' - 9 5/8" 36# J-55 LT&C @ \$20			0181-0794	\$24,100		
Casing (6.1" -			7850' - 7" 29# HCP-110 LT&C @ \$2			0181-0796	\$226,400		
Casing (4.1" -	6.0")		7700' - 4 1/2" 13.5# P-110 BPN @ \$					0181-0797	\$119,200
Tubing Drilling Head			7100' - 2 7/8" 6.5# L-80 Tbg @ \$7.82	2/ft		0404 0000	225.000	0181-0798	\$59,300
Tubing Head &	Upper Sec	ction				0181-0860	\$35,000	0181-0870	630 000
Horizontal Com	npletion Too	ols	Completion Liner Hanger					0181-0871	\$30,000 \$50,000
Subsurface Eq		icial Lift				_		0181-0880	\$25,000
Pumping Unit Service Pumps			(4 In) TO(00 In)					0181-0885	
Storage Tanks			(1/3) TP/CP/Circ pump (1/3) 6 OT/5 WT/GB					0181-0886	\$8,400
Emissions Con		nent	(1/3) VRT's/VRU/Flare/KO's					0181-0890	\$100,000 \$80,200
Separation / Tr	eating Equi	pment	(1/3) H sep/V sep/HT					0181-0895	\$85,000
Automation Me		-				İ		0181-0898	\$50,000
ine Pipe & Valvo			(1/3) 1 mile gas					0181-0900	\$15,900
Fittings / Valve Cathodic Prote		OHES						0181-0906	\$133,400
Electrical Insta								0181-0908	\$5,000 \$83,400
Equipment Inst	tallation	1						0181-0909	\$58,400
Pipeline Constr	ruction		(1/3) 1 mile gas					0181-0920	\$45,800
					=				
					TAL		\$299,500		\$949,000
				SUBTO	TAL		\$2,299,600		\$3,536,600
			TOTA	AL WELL COS	ST		\$5.8	36,200	
	I elect to be Operator has I elect to pu	secured Ex rchase my	/ Operator's Extra Expense Insurar tra Expense Insurance covering costs own well control insurance policy. g working interest owner elects to be cove	s of well control, cle	ean up	and redrilling	of the premium as estimated in	n. Line Item 018	0-0185.
Prepar			Levi Jackson		Date:	3/25/2021			
Company App		w	white				_		
обпрану Ар	provdi				Date:	3/30/2021			
Joint Owner I	nterest:		Amount:						
				Signature					

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:	Rattlesnake 13/18 B3LK State Com #1H	Pro	spect: Bone	Spring			
Location: SL	: 2100' FSL & 205' FWL; BHL: 2100' FSL & 2187' FWL		ounty: Eddy			S	T: NM
Sec. 13	Blk: Survey: TWP		ATTACHED TO A TO A	E Prop. TV	D. 0757	C 500 S 507	
	THE SECOND	193	J KNG: 20	E Prop. IV	D: 8757	TMD:	15786
	INTANGIBLE COSTS 0180		CODE	TCP	CODE		CC
	mits & Surveys 1 / Site / Preparation		0180-0100		0180-0200		
Location / Road			0180-0105		0180-0205		\$35,0
	key / Footage Drilling 18 days drlg / 3 days comp @ \$19500	l/d	0180-0106		0180-0206		\$50,0
Fuel	1700 gal/day @ \$3/gal	/u	0180-0110	\$98,000	0180-0210		\$62,5
Alternate Fuels	in oo ganaay & borgan		0180-0115	\$90,000	0180-0214 0180-0215		\$275,0
Mud, Chemical	& Additives		0180-0120	\$60,000	0180-0213		
Mud - Specializ			0180-0121		0180-0221		
Horizontal Drillo					0180-0222		\$150,00
Stimulation Toe	Preparation		-		0180-0223		\$25,00
Cementing Logging & Wire	lino Corvince		0180-0125		0180-0225		\$35,0
Casing / Tubing	/ Snubbing Services		0180-0130		0180-0230		\$253,0
Mud Logging	7 Griddbing Gel vices		0180-0134		0180-0234		\$40,00
Stimulation	44 Stg 14.5 MM gal / 14.5 MM lb		0180-0137	\$15,000		-	4 070 0
Stimulation Ren	tals & Other				0180-0241 0180-0242		1,070,00
Nater & Other			0180-0145	\$40,000			\$150,00
Bits			0180-0148		0180-0248		\$5,00
nspection & Re	pair Services		0180-0150		0180-0248		\$5,00
lisc. Air & Pum			0180-0154	Ψ50,000	0180-0254		\$10,00
Testing & Flowb			0180-0158	\$12,000			\$24,00
Completion / W				+ .2,000	0180-0260		\$10,50
Rig Mobilization			0180-0164	\$120,000		İ	5,50
Fransportation			0180-0165	\$30,000	0180-0265		\$13,40
Welding, Consti	ruction & Maint. Services		0180-0168		0180-0268		\$15,00
Contract Service	es & Supervision		0180-0170		0180-0270		\$31,50
Directional Serv			0180-0175	\$232,500			
Equipment Rent			0180-0180	\$155,500	0180-0280		\$5,00
Nell / Lease Le			0180-0184		0180-0284		
Nell / Lease Ins			0180-0185		0180-0285		
ntangible Suppl Damages	les		0180-0188		0180-0288		\$1,00
	nnect, ROW Easements		0180-0190	\$10,000	0180-0290		\$10,00
Company Super			0180-0192		0180-0292		\$5,00
Overhead Fixed			0180-0195		0180-0295		\$63,00
Contingencies	2% (TCP) 2% (CC)		0180-0196 0180-0199		0180-0296		\$20,00
J	270 (101) 270 (00)	TOTAL	0160-0199		0180-0299		\$50,70
	TANGER S GOODS AND	TOTAL		\$2,000,400		\$	2,587,60
See: (40 41)	TANGIBLE COSTS 0181			i			
Casing (19.1" Casing (10.1"			0181-0793				
Casing (8.1" – 1			0181-0794	\$14,000			
Casing (6.1" – 8			0181-0795	\$24,100			
Casing (4.1" - 6			0181-0796	\$255,200			
Tubing	8325' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft				0181-0797		\$120,80
Orilling Head	3020 2 110 0,0# 2 00 10g @ 31.02/lt		0181-0860	\$35,000	0181-0798		\$69,50
ubing Head & I	Upper Section	-	0101-0000	\$35,000	0181-0870		\$30,00
Iorizontal Comp					0181-0871		\$50,00
Subsurface Equ	ip. & Artificial Lift				0181-0880		\$25,00
Pumping Unit Sy	ystems				0181-0885		Ψ23,00
Service Pumps	(1/3) TP/CP/Circ pump				0181-0886		\$8,40
Storage Tanks	(1/3) 6 OT/5 WT/GB				0181-0890		\$100,00
missions Contr	1,				0181-0892		\$80,20
	ating Equipment (1/3) H sep/V sep/HT				0181-0895		\$85,00
	ering Equipment				0181-0898		\$50,00
ine Pipe & Valv					0181-0900		\$15,90
ittings / Valves					0181-0906		\$133,40
Cathodic Protect					0181-0908		\$5,00
lectrical Installa					0181-0909		\$83,40
quipment Insta					0181-0910		\$58,40
ipeline Constru	ction (1/3) 1 mile gas				0181-0920		\$45,800
		TOTAL		\$328,300			\$960,80
	sui	STOTAL		\$2,328,700		•	3,548,400
	TOTAL WELL O						,,
	urance elect to be covered by Operator's Extra Expense Insurance and pay re perator has secured Extra Expense Insurance covering costs of well contro elect to purchase my own well control insurance policy.	ny propor I, clean up	and redrilling as	f the premium	77,100 .ine Item 018	0-0185.	
neither box is chec	ked above, non-operating working interest owner elects to be covered by Operato	's well cont	rol insurance				
Prepared							
riepared		_ Date:	3/25/2021				
Company Appr	oval: M. White	Date:	3/30/2021				
	Recies	ACT LA COMPANIE			mental comme	VIII -	
Joint Owner Int	erest: Amount:						
Joint Owner N	ame: Signa	ture:					
		Control Parish Control Parish	THE RESERVE THE PARTY OF THE PA	THE R. P. LEWIS CO., LANSING, MICH.			

Summary of Communications

Rattlesnake 13/18 B2LK State Com #1H Rattlesnake 13/18 B3LK State Com #1H

Devon Energy Production Company, LP

- 1) Mailed well proposal via Certified Mail March 31, 2021; proof of receipt dated April 8, 2021 is also included.
- 2) Email on drill schedule -4/19/2021.
- 3) Email on drill schedule 4/29/2021.

MEWBOURNE OIL COMPANY Case No. 21933



HINKLE SHANOR LLP

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

May 6, 2021

WRITER:

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

VIA CERTIFIED MAIL

TO ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Mewbourne Oil Company NMOCD Application,

NMOCD Case No. 21933

To Whom it May Concern:

Enclosed is a copy of an application that Mewbourne Oil Company ("Mewbourne") has filed with the New Mexico Oil Conservation Division ("the Division"). The application (Case No. 21933) seeks to pool additional interest owners under the terms of the R-21053.

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 June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend the hearing, but as an owner of an interest that may be affected by Mewbourne's application, you may appear at the hearing and present testimony. If you do not appear at that time and become a party of record, you 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 May 27, 2021. 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.

MONOCO

Very truly yours,

DSH:kca Enclosure

MEWBOURNE OIL COMPANY Case No. 21933

Exhibit A-7

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



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: Carolyn Rend Beall P.O. Box 3(198 	A. Signature B. Received by (Printed Name) D. Is delivery address different fror If YES, enter delivery address	
Midland, TX 79702 9590 9402 5941 0062 9809 45 2. Article Number (Transfer from service label) 7020 0640 0000 0303 0346 PS Form 3811, July 2015 PSN 7530-02-000-9053	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 Insured Mail cover \$500)	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery



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: Devon Energy Production Company Attn: Stuart Edwards 333 W. Sheridan Avenue Oklahoma City, OK 73102-5015	A. Signature X
9590 9402 5941 0062 9809 38 2. Article Number (Transfer from service label) 7020 0640 0000 0303 0078 PS Form 3811, July 2015 PSN 7530-02-000-9053	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery Restricted Delivery □ Insured Mail □ Insured Mail □ Insured Mail Restricted Delivery (over \$500) □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery □ Restricted Delivery



CERTIFIED MAIL

LE SHANOR LLP TORNEYS AT LAW T OFFICE BOX 2068 FE, NEW MEXICO 87504





Highland (Texas) Energy Company Attn: Truitt Matthews

7557 Rembler Road, #918

Dallas, TX

871 NEE 1 22010005/86/21
FORWARD TIME EXP RTN TO SEND
: HIGHLAND TEXAS ENERGY COMPANY
11886 GREENVILLE AVE SIE 106
DALLAS TX 75243-3569

RETURN TO SENDER

75231\$25935205<mark>5</mark>



in the second se		TRANSPORTER
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	I 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. Article Addressed to: Magnum Hunter Production, Inc. Attn: Riley C. Morris 600 N. Marienfeld, #600 Midland, TX 79701 	B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address	Agent Addressee C. Date of Delivery 10 2021 m item 1? Yes below: No
9590 9402 5941 0062 9809 14 -2. Article Number (Transfer from service Jabel) 7020 0640 0000 0303 0085	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☑ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Insured Mail ☐ Insured Mail Restricted Delivery	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	(over \$500)	Domestic Return Receipt



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: MRC Permian Company Attn: Nick Weeks 5400 LBJ Freeway, #1500 Dallas, TX 75240 3. Service Type Adult Signature Adult Signature Adult Signature Adult Signature Certified Mail @serviced Delivery Certified Mail @serviced Delivery Certified Mail @serviced Delivery Certified Mail @serviced Delivery	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
9590 9402 5941 0062 9809 07 Certified Mail® Certified Mail® Certified Mail® Collect on Delivery	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: MRC Permian Company Attn: Nick Weeks 5400 LBJ Freeway, #1500	A. Signature X SUSSIC Rum Agent
JUST DILLO DELLE Discoursed belivery	9590 9402 5941 0062 9809 07 2. Article Number (Transfer from service label) 7020 0640 0000 0303 0308	□ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Insured Mail □ Insured Mail Restricted Delivery



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. Article Addressed to: Oxy USA, Inc. Attn: Jorganan I. Gonzales 5 Green by Plaza, #110 Houston X 77046-0521 	B. Received by (Printed Name) C. Da D. Is delivery address different from Item 1?	Agent Addressee te of Delivery Yes
9590 9402 5941 0062 9808 91 2 Article Number (Transfer from service label) 7020 0640 0000 0303 0092	☐ Adult Signature ☐ Registere ☐ Registere ☐ Adult Signature Restricted Delivery ☐ Certified Mail® Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature ☐ Signature	d Mail Restricted eceipt for dise Confirmation TM Confirmation
. DS Form 3811 July 2015 DSN 7530-02-000-9053	Domestic Re	eturn Receipt

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

Domestic Return Receipt



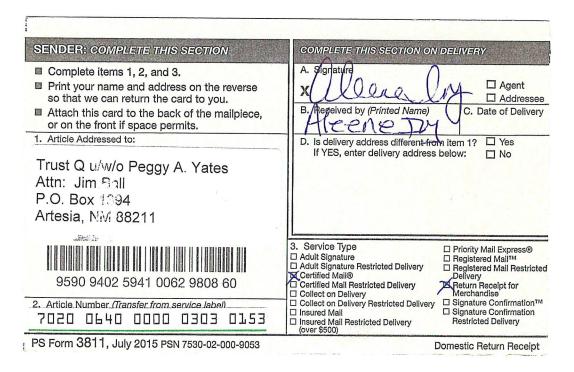
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Oxy USA WTP Limited Partnership Attn: Jonathan I. Gonzales Greenway Plaza, #110 Housien, TX 77046-0521 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date, of Delivery C. Date, of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
	3. Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION O	N CELIVERY
□ 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: Prince Petroleum Company, LP Attn: L. Allen Hodges, III 306 W. 7 th Street, #701 Ft. Worth, TX 76102	A. Signature B. Received by (Printed Name) D. Is delivery address different fr If YES, enter delivery address	Agent Addresse C. Date of Deliver
9590 9402 5941 0062 9808 77 2. Article Number (Transfer from service label)	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricte □ Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation

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Affidavit of Publication Ad # 0004736132 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:

05/14/2021

Legal Clerk
Subscribed and sworn before me this May 14, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

-7-55

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004736132 PO #: 21933 # of Affidavits1

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This is to notify all interested parties, including Carolyn Read Beall, Devon Energy Production Company, Highland (Texas) Energy Company, Magnum Hunter Production, Inc., MRC Permian Company, Oxy USA, Inc., Oxy USA WTP Limited Partnership, Prince Petroleum Company LP, Trust Q u/w/o Peggy A. Yates, Vladin, LLC, Betty R. Young, 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. 21933). 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 June 3, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date at: http://www.emnrd.state.nm.us/OCD/ hearing.html. Applicant seeks to pool additional interest owners under the terms of Oil Conservation Division Order No. R-21053 ("Order"), which created a 240-acre, more or less, standard horizontal spacing unit comprised of the N/25/2 of Section 13, Township 19 South, Range 28 East and the N/2 SW/4 of Section 18, Township 19 South, Range 29 East in Eddy County, New Mexico ("Unit"), and designated Mewbourne as the operator of the Unit. The Order further pooled the uncommitted interests in the Bone Spring formation (Grama Ridge; Bone Spring NE Pool, Code 28435) and dedicated the Unit to the following wells: Rattlesnake 13/18 B2LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 28 East to a bottom hole location in Unit K in Section 18, Township 19 South, Range 29 East; and Rattlesnake 13/18 B3LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 29 East; and Rattlesnake 13/18 B3LK State Com #1H, which will be horizontally drilled from a surface location in Unit L in Section 13, Township 19 South, Range 29 East. On December 15, 2020, the Divisi

May 14, 2021

MEWBOURNE OIL COMPANY Case No. 21933