

CASE NO. 15689

TRACT OWNERSHIP FOR WOLFCAMP FORMATION:

TRACT #1: NW/4SE/4 of SECTION 23.	(Fee Leases)

Chevron USA INC.

100.00%

TRACT #2: NE/4SE/4 and S/2SE/4 of Section 23 (Fee Leases)

Mewbourne Oil Company

100.00%

TRACT #3: W/2SW/4 of Section 24 (Fee Leases)

Mewbourne Oil Company

100.00%

TRACT #4: NE/4SW/4 of Section 24 (Federal Lease NM 27919)

EOG Resources, Inc.

100.00%

TRACT #5: SE/4SW/4 of Section 24 (Fee Leases)

Mewbourne Oil Company
MRC Permian Company

87.50% 12.50%

TRACT #6: W/2SE/4 and SE/4SE/4 of Section 24 (Federal Lease NM 107373)

COG Operating LLC Chevron USA INC.

OXY USA INC.

40.00%

30.00%

30.00%

EXHIBIT 2

TRACT #7: NE/4SE/4 of Section 24 (Federal Lease NM 110829)

Crown Oil Partners V, LP	27.34%
Crump Energy Partners II, LLC	27.34%
Black Mountain Operating, LLC	18.56%
Black Crown Energy Partners, LP	15.79%
Charles D. Ray	5.09%
Oak Valley Mineral & Land	3.13%
Stillwater Investments	1.56%
Paleozoic Petroleum, LLC	1.00%
TBO Oil & Gas	0.19%
	100.00%

Unit Ownership - SE/4 of Section 23 and S/2 of Section 24

Mewbourne Oil Company	41.161894%
Chevron USA INC.	15.833333%
COG Operating LLC	10.000000%
EOG Resources, Inc	8.333333%
OXY USA INC.	7.500000%
MRC Permian Company	7.291760%
Nadel & Gussman, LLC	1.595120%
TBO Oil & Gas, LLC	1.562000%
Black Mountain Operating, LLC	1.546880%
Crump Energy Partners II, LLC	1.481180%
Crown Oil Partners V, LP	1.481180%
Black Crown Energy Partners, LP	1.315420%
Charles D. Ray	0.423970%
Oak Valley Mineral & Land, LP	0.260420%
Stillwater Investments	0.130210%
Paleozoic Petroleum, LLC	0.083300%
	100.000000%

Case No. 15689

Summary of Communications:

Nadel & Gussman Permian	1.595120%
Crump Energy Partners	1.481180%
Crown Oil Partners	1.481180%
Black Crown Energy Partners	1.315420%
Oak Valley Mineral & Land	0.260420%
Paleozoic Petroleum	0.083300%
	6.216620%

Contact: Mr. Caleb Hopson (806) 898-1717
Email: chopson@bcoperating.com

11-29-2016: Proposed Queen "23/24" wells to above parties via certified mail with AFEs.

01-04-2017: Sent proposed JOA to above parties for consideration and execution.

03-29-2017: Follow up letter to Paleozoic Petroleum regarding the status of the JOA execution.

<u>03-31-2017</u>: Follow up letter to the above parties except for Paleozoic Petroleum regarding the status of the JOA

execution.

<u>04-04-2017</u>: Email to above parties regarding change in surface location for proposed wells due to surface owner's

concerns.

04-19-2017: Sent above parties revision pages to proposed JOA.

05-01-2017: Sent Marathon email regarding upcoming Pooling Hearing. (Marathon is acquiring all of the above

parties interests).

05-02-2017: Sent above parties additional revision pages to proposed JOA.

<u>05-03-2017</u>: Emailed Marathon a copy of our proposed JOA for their review.

Contact: Lauren Burckle (713) 985-6987

Email: Lauren Burckle@oxy.com

OXY USA INC. 7.50000%

11-18-2016: Sent well proposal letter via certified mail with AFEs regarding the proposal wells.

11-28-2016: Sent well proposal letter via certified mail which was in substitution for previous letter.

12-12-2016: Email from Oxy's Sarah Izzat regarding engineering and geological questions, I gave her our contacts.

12-21-2016: Email from Sarah Izzat to MOC's Travis Cude and Nate Cless regarding various questions about

operations for the proposed wells.

12-21-2016: Email from Travis Cude to Sarah Izzat regarding answers to Oxy's questions.

01-04-2017: Sent proposed JOA for Oxy's consideration and execution.

02-14-2017: Email from Oxy's Courtney Carr regarding title questions and my answer to her regarding same.

03-29-2017: Follow up letter to Oxy.

ЕХНІВІТ 3

<u>04-04-2017</u>: Sent revised pages to JOA via email. **05-02-2017**: Emailed additional revised pages to JOA. <u>05-04-2017</u>: Received email from Lauren requesting certain revisions to JOA. 05-05-2017: Emailed Lauren and advised her we would review her proposed revisions and get back to her. <u>05-09-2017</u>: Emailed Lauren our response regarding Oxy's revisions request. Luke Mildren (214) 536-1645 Contact: Email: luke.milden@blackmtn.com Black Mountain Operating, LLC 1.546880% **11-18-2016**: Sent well proposals via certified mail with AFEs. **11-28-2016**: Sent substitute well proposals via certified mail with AFEs. **01-04-2017**: Sent proposed JOA for their consideration. Follow up letter regarding proposed wells. **03-31-2017**: 04-04-2017: Email revision to JOA. 04-19-2017: Emailed subsequent revisions to JOA. **05-02-2017**: Emailed revised pages to JOA. **Contact:** Chuck Moran (432) 686-3684 Email: Charles Moran@eogresources.com **EOG** Resources, INC. 8.33333% 11-29-2016: Sent well proposal letter via certified mail with AFEs. 01-04-2017: Mailed proposed JOA. **03-31-2017**: Follow up letter regarding proposed wells. 04-04-2017: Emailed revised pages to JOA. Received email from EOG advising me that they do not claim to own an interest . Their interest should **04-14-2017**: have been assigned to Quinoco Petroleum. **04-17-2017**: Sent Chuck email advising him I thought Quinoco went to Chevron. 04-19-2017: Emailed EOG some revised pages to JOA <u>05-02-2017</u>: Emailed EOG additional revised pages to JOA

Emailed EOG advising them I thought Quinoco went to Chevron and gave EOG Chevron's contact

Received email from EOG regarding Chevron.

<u>05-02-2017</u>: <u>05-03-2017</u>:

information.

From:

Paul Haden

Sent:

Wednesday, May 03, 2017 10:23 AM

To:

mbrown3@marathonoil.com

Cc:

Drew Robison; Corey Mitchell

Subject:

Re: Queen "23/24" WIU

Attachments:

20170503111613177.pdf

Matt, attached FYI and Marathon's review is our proposed JOA dated 12/15/2016. Will Marathon be making an appearance at the hearing on May 11th?

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279

Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Wednesday, May 03, 2017 10:16 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.03.2017 11:16:13 (-0400)

From:

Paul Haden

Sent:

Wednesday, May 03, 2017 8:08 AM

To:

'Brown, Matthew D. (MRO)'; Tate, Matthew S. (MRO)

Cc:

Drew Robison; Corey Mitchell

Subject:

RE: [External] Re: Queen "23/24" WIU

Matt, I'll send it to you later this morning. Thanks for the response.

Paul Haden
Land Department
Mewbourne Oil Company
500 West Texas Ave., Suite 1020
Midland, TX 79701-4279
Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Brown, Matthew D. (MRO) [mailto:mbrown3@marathonoil.com]

Sent: Tuesday, May 02, 2017 4:57 PM To: Paul Haden; Tate, Matthew S. (MRO)

Cc: Drew Robison; Corey Mitchell

Subject: RE: [External] Re: Queen "23/24" WIU

Paul,

Thank you for the notification regarding the well proposals and upcoming Examiner's Hearing. I will touch base with our technical team to see where we stand on the proposals. We closed on our BC Operating Acquisition (which includes the Crown, Crump and N&G entities listed in your email) yesterday and anticipate closing on our Black Mountain acquisition June 1st. Would it be possible to send an electronic copy of the proposed JOA so that we can begin our review of the document?

Thanks,

Matt Brown, CPL
Marathon Oil Corporation
Land - Permian
Ph# 713.296.3408 / Cell# 281.468.8833
5555 San Felipe St. / Houston, TX 77056

----Original Message-----

From: Paul Haden [mailto:phaden@Mewbourne.com]

Sent: Monday, May 01, 2017 10:42 AM

*To: Thompson, Stephen J. (MRO) < sithompson@marathonoil.com; Wiles, Keith A. (MRO) < kwiles@marathonoil.com; Brown, Matthew D. (MRO) < kwiles@marathonoil.com; Tate, Matthew S. (MRO) < kwiles@marathonoil.com; Tate, Matthew S. (MRO) < kwiles@marathonoil.com; Tate, Matthew S. (MRO)

Cc: Drew Robison drobison@Mewbourne.com; Corey Mitchell cmitchell@Mewbourne.com>

Subject: [External] Re: Queen "23/24" WIU

Beware of links/attachments.

Gentlemen, FYI, Mewbourne Oil Company as Operator has formed a Working Interest Unit covering the SE/4 Sec 23 and S/2 Sec 24, T24S, R28E, Eddy County, NM for Wolfcamp oil and gas production. See attachments FYI. There are some owners in this WIU which Marathon is apparently going to acquire in the near future. As a courtesy, we are notifying you that the interests of Nadel and Gussman, Black Mountain Operating, Crump Energy Partners, Crown Oil Partners and Oak Valley Mineral & Land were notified as Poolees for an Examiner's Hearing to take place on May 11, 2017 regarding the 2 proposed wells referenced in the attached AFEs. None of these owners have signed AFEs or our proposed Operating Agreement to date. Please advise us what Marathon plans to do regarding our Pooling Applications as to the interests Marathon has plans to acquire. When is this acquisition going to occur and what is the effective date??

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Monday, May 01, 2017 10:21 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.01.2017 11:20:55 (-0400)

From:

Paul Haden

Sent:

Tuesday, May 02, 2017 10:12 AM

To:

BCason@concho.com; NWeeks@matadorresources.com; sdhardin@sbcglobal.net;

Lauren_Burckle@oxy.com; Charles Moran@eogresources.com

Subject:

Re: Queen "23/24" WIU

Attachments:

20170502104804661.pdf

To all , attached for your further handling are revised pages to the JOA dated December 15 , 2017 for the captioned WIU . These revisions include the following :

- 1) Exhibit "A" The contact information for COG, MRC Permian and TBO Oil & Gas was revised on Page 1.
- 2) Exhibit "C" The date of the JOA was inserted in the heading on Page 1.
- 3) Exhibit "D" The date of the JOA was inserted in the heading on Page 1.
- 4) Exhibit "F" The date of the JOA was inserted in the heading.
- 5) Exhibit "H" The date of the JOA was inserted in the heading on Page 1.
- 6) Exhibit "H" Exhibit "A" was included .

As to the Recording Supplement, Exhibit "A" was included.

In reference to the above, please substitute the attached pages for the ones currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

-----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, May 02, 2017 9:48 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.02.2017 10:48:04 (-0400)

From:

Paul Haden

Sent:

Wednesday, April 19, 2017 3:43 PM

To:

'BCason@concho.com'; 'NWeeks@matadorresources.com'; 'Lauren_Burckle@oxy.com';

'bsouth@chevron.com'; 'chopson@bcoperating.com'

Cc:

'RBuress@concho.com'

Subject:

FW: Message from "Ricoh-MP-C6003-MID-2"

Attachments:

20170419152630615.pdf

To all , attached for your further handling are some revised pages to the JOA dated Dec 15 , 2016 . In the Table of Contents , Option 2 was struck in Article VI. G per Matador's request . On Page 10 on line 3 , \$50,000 was deleted and \$75,000 was inserted in its place . In Article VI. A , I revised the initial location slightly per the surface owner's request due to some surface issues . The description for the proposed interval to be tested was revised to more adequately describe the interval within the Wolfcamp formation to be tested per COG's request . On Page 13 on line 1 , fifteen (15) was revised to thirty (30) per Matador's request . In Article XVI. C . , December 15, 2016 was inserted in the blank on line 13 . In Article XVI. D., the exclusion language is revised to state that the Agreement specifically excluded the well as described therein per COG's request . In Article E . , the phrase "Save and except in this Agreement , " was inserted at the beginning of the sentence per Matador's request .In Article XVI. , paragraphs H , I and J were added per Matador's request .In Exhibit "A" , Paragraph 2 as to depth restrictions , the Wolfcamp formation was more adequately described and COG's contact information was revised per COG's request . In Exhibit "A" , Paragraph 6 as to Burdens On Production ,I inserted "as of the date of this Agreement . " Once the Drilling Title Opinion is rendered , the burdens of record can be added to this paragraph .

In Exhibit "B", I added the phrase "And There Are No Parties Participating In The Contract Area With Unleased Minerals ". In Exhibit C. (Copas) on Page 9, under Article III., 1. A. (ii), Alternative 3 was checked in lieu of Alternative 2 per Matador's request. In Exhibit "D". parapraph 9 was added per Matador's request. In Exhibit "E" under Definitions in paragraph 1.02, the third box was deleted and the language inserted in the blanks was deleted per Matador's request. In Exhibit "E", Gas Balancing Agreement, paragraph 12.9 on Page 5, the second box was checked per Matador's request.

In reference to the above, please insert the attached revised pages for the ones currently in your possession if your firm is agreeable to the proposed revisions. Let me know if you have any questions or concerns regarding the above. Please have the signature and acknowledgment pages that are currently in your possession executed and returned to me with the executed Recording Memorandum for the Operating Agreement.

Thanks for your cooperation in connection with the above.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From:

Paul Haden

Sent:

Tuesday, April 04, 2017 3:02 PM

To:

'rburess@concho.com'; 'MMcAuliffe@concho.com'; 'brsouth@chevron.com';

'chopson@bcoperating.com'; 'Charles_Moran@eogresources.com';

'Lauren_Burckle@oxy.com'; 'luke.mildren@blackmtn.com';

'NWeeks@matadorresources.com'

Subject:

Re: Queen 23/24 WIU 20170404154231337.pdf

Attachments:

To all, attached for your further handling is revised Page 5 of the proposed JOA dated December 15, 2016. The surface and bottom hole locations for the initial well has been revised due to the surface owner's request regarding the surface location. Please substitute this page for the one currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, April 04, 2017 2:43 PM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 04.04.2017 15:42:31 (-0400)

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 31, 2017

Nadel and Gussman Permian, LLC Crown Oil Partners V, LP, Black Crown Energy Partners, LP, Oak Valley Mineral & Land, LP Crump Energy Partners P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and

S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Regarding the captioned Working Interest Unit, to date we have not received the signed AFEs from you for the proposed initial wells, nor have we received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 29, 2017

Paleozoic Petroleum, LLC P.O. Box 50820 Midland, Texas 79710 Attn: Mr. Caleb Hopson

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Dear Caleb:

We acknowledge receiving Paleozoic's separate signed AFEs for the initial wells to be drilled in the captioned proposed Working Interest Unit. To date we have not received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

January 4, 2017

Nadel & Gussman Permian, LLC, et al P.O. Box 50820 Midland, TX 79710 Attn: Mr. Caleb Hopson

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Dear Caleb:

Regarding the captioned proposed Working Interest Unit (WIU), enclosed for your further handling are the following regarding the interests of Nadel & Gussman, Paleozoic Petroleum, LLC, Crown Oil Partners V, LP, Black Crown Energy Partners, LP, Oak Valley Mineral & Land, LP and Crump Energy Partners, II:

- 1) Proposed form of Operating Agreement dated December 15, 2016.
- 2) Signature pages of the JOA and GBA.
- 3) Recording Supplement to Operating Agreement.

In reference to the above, please have the enclosed signature pages of the Operating Agreement and Gas Balancing Agreement executed and returned to me at your earliest convenience as well as the executed Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman DPH/ak



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019310601. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Crump Energy Partners, II PO BOX 50820 MIDLAND, TX 79710 Reference #: Queen 23/24 WIU PH



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019310571. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Nadel & Gussman Permian PO BOX 50820 MIDLAND, TX 79710 Reference #: Queen 23/24 WIU PH



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019310663. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Oak Valley Mineral and Land, LP PO Box 50820 Midland, TX 79710 Reference #: Queen 23/24 WIU PH



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019311516. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient :

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Black Crown Energy Partners, LP PO BOX 50820 Midland, TX 79710 Reference #: Queen 23/24 WiU PH



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019311585. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Crown Oil Partners V, LP PO BOX 50820 Midland, TX 79710 Reference #: Queen 23/24 WIU PH



Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019311707. The delivery record shows that this item was delivered on November 30, 2016 at 10:12 am in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> Paleozoic Petroleum, LLC PO BOX 50820 MIDLAND, TX 79710 Reference #: Queen 23/24 WIU PH

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Paleozoic Petroleum, LLC P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Paleozoic Petroleum, LLC ("Paleozoic") owns an undivided 1% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM – 110829. Accordingly, Paleozoic owns a 0.083330% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Paleozoic's interest covering rights from below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Crown Oil Partners V, LP P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Crown Oil Partners V, LP ("Crown Oil") owns an undivided 17.7742% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM – 110829. Accordingly, Crown Oil owns a 1.481180% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Crown Oil's interest covering rights from below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Black Crown Energy Partners, LP P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Black Crown Energy Partners, LP ("Black Crown") owns an undivided 15.7850% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM - 110829. Accordingly, Black Crown owns a 1.315420% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Black Crown's interest covering rights from below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Oak Valley Mineral & Land, LP P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Oak Valley Mineral & Land, LP ("Oak Valley") owns an undivided 3.125% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM - 110829. Accordingly, Oak Valley owns a 0.260420% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Oak Valley's interest covering rights from below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Crump Energy Partners, II P.O. Box 50820 Midland, TX 79710

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Crump Energy Partners, II ("Crump Energy") owns an undivided 17.7742% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM - 110829. Accordingly, Crump Energy owns a 1.481180% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Crump Energy's interest below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

Nadel & Gussman Permian P.O. Box 50820 Midland, TX 79701

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Nadel & Gussman Permian ("Nadel & Gussman") owns an undivided 19.1414% WI in the NE/4SE/4 of the captioned Section 24 below 2,730 feet beneath the surface under Federal Lease NM - 110829. Accordingly, Nadel & Gussman owns a 1.59512% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Nadel & Gussman's interest covering rights from below 2,730 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

From:

Paul Haden

Sent:

Tuesday, May 02, 2017 10:12 AM

To:

BCason@concho.com; NWeeks@matadorresources.com; sdhardin@sbcglobal.net;

Lauren Burckle@oxy.com; Charles Moran@eogresources.com

Subject:

Re: Queen "23/24" WIU

Attachments:

20170502104804661.pdf

To all, attached for your further handling are revised pages to the JOA dated December 15, 2017 for the captioned WIU. These revisions include the following:

- 1) Exhibit "A" The contact information for COG, MRC Permian and TBO Oil & Gas was revised on Page 1.
- 2) Exhibit "C" The date of the JOA was inserted in the heading on Page 1.
- 3) Exhibit "D" The date of the JOA was inserted in the heading on Page 1.
- 4) Exhibit "F" The date of the JOA was inserted in the heading.
- 5) Exhibit "H" The date of the JOA was inserted in the heading on Page 1.
- 6) Exhibit "H" Exhibit "A" was included .

As to the Recording Supplement, Exhibit "A" was included.

In reference to the above, please substitute the attached pages for the ones currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279

Office Phone: 432-682-3715 Fax: 432-685-4170

Fax: 432-685-4170 Cell: 432-557-2521

-----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, May 02, 2017 9:48 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.02.2017 10:48:04 (-0400)

From: Paul Haden

Sent: Wednesday, April 19, 2017 3:43 PM

To: 'BCason@concho.com'; 'NWeeks@matadorresources.com'; 'Lauren_Burckle@oxy.com';

'bsouth@chevron.com'; 'chopson@bcoperating.com'

Cc: 'RBuress@concho.com'

Subject: FW: Message from "Ricoh-MP-C6003-MID-2"

Attachments: 20170419152630615.pdf

To all , attached for your further handling are some revised pages to the JOA dated Dec 15 , 2016 . In the Table of Contents , Option 2 was struck in Article VI. G per Matador's request . On Page 10 on line 3 , \$50,000 was deleted and \$75,000 was inserted in its place . In Article VI. A , I revised the initial location slightly per the surface owner's request due to some surface issues . The description for the proposed interval to be tested was revised to more adequately describe the interval within the Wolfcamp formation to be tested per COG's request . On Page 13 on line 1 , fifteen (15) was revised to thirty (30) per Matador's request . In Article XVI. C . , December 15, 2016 was inserted in the blank on line 13 . In Article XVI. D., the exclusion language is revised to state that the Agreement specifically excluded the well as described therein per COG's request . In Article E . , the phrase "Save and except in this Agreement , " was inserted at the beginning of the sentence per Matador's request . In Article XVI. , paragraphs H , I and J were added per Matador's request . In Exhibit "A" , Paragraph 2 as to depth restrictions , the Wolfcamp formation was more adequately described and COG's contact information was revised per COG's request . In Exhibit "A" , Paragraph 6 as to Burdens On Production , I inserted "as of the date of this Agreement . " Once the Drilling Title Opinion is rendered , the burdens of record can be added to this paragraph .

In Exhibit "B", I added the phrase "And There Are No Parties Participating In The Contract Area With Unleased Minerals ". In Exhibit C. (Copas) on Page 9, under Article III., 1. A. (ii), Alternative 3 was checked in lieu of Alternative 2 per Matador's request. In Exhibit "D". parapraph 9 was added per Matador's request. In Exhibit "E" under Definitions in paragraph 1.02, the third box was deleted and the language inserted in the blanks was deleted per Matador's request. In Exhibit "E", Gas Balancing Agreement, paragraph 12.9 on Page 5, the second box was checked per Matador's request.

In reference to the above, please insert the attached revised pages for the ones currently in your possession if your firm is agreeable to the proposed revisions. Let me know if you have any questions or concerns regarding the above. Please have the signature and acknowledgment pages that are currently in your possession executed and returned to me with the executed Recording Memorandum for the Operating Agreement.

Thanks for your cooperation in connection with the above.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From:

Paul Haden

Sent:

Tuesday, April 04, 2017 3:02 PM

To:

'rburess@concho.com'; 'MMcAuliffe@concho.com'; 'brsouth@chevron.com';

'chopson@bcoperating.com'; 'Charles_Moran@eogresources.com';

'Lauren_Burckle@oxy.com'; 'luke.mildren@blackmtn.com';

'NWeeks@matadorresources.com'

Subject:

Re: Queen 23/24 WIU

Attachments:

20170404154231337.pdf

To all, attached for your further handling is revised Page 5 of the proposed JOA dated December 15, 2016. The surface and bottom hole locations for the initial well has been revised due to the surface owner's request regarding the surface location . Please substitute this page for the one currently in your possession .

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, April 04, 2017 2:43 PM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 04.04.2017 15:42:31 (-0400)

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 31, 2017

Black Mountain Operating, LLC 500 Main Street, Suite 1200 Fort Worth, Texas 76102 Attn: Mr. Luke Mildren

Re:

Oueen "23/24" WIU SE/4 of Section 23 and

S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Regarding the captioned Working Interest Unit, to date we have not received the signed AFEs from you for the proposed initial wells, nor have we received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

January 4, 2017

Black Mountain Operating, LLC 500 Main Street, Suite 1200 Fort Worth, TX 76102 Attn: Mr. Luke Mildren

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Regarding the captioned proposed Working Interest Unit (WIU), enclosed for your further handling are the following:

- 1) Proposed form of Operating Agreement dated December 15, 2016.
- 2) Signature pages of the JOA and GBA.
- 3) Recording Supplement to Operating Agreement.

In reference to the above, please have the enclosed signature pages of the Operating Agreement and Gas Balancing Agreement executed and returned to me at your earliest convenience as well as the executed Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman



Date: November 30, 2016

Simple Certified:

The following is in response to your November 30, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019282458. The delivery record shows that this item was delivered on November 30, 2016 at 2:33 pm in FORT WORTH, TX 76102. The scanned image of the recipient information is provided below.

Signature of Recipient:

Address of Recipient:

Dode

If you require additional assistance, please contact your local Post Office or postal representative.

Thank you for selecting the Postal Service for your mailing needs.

Sincerely, United States Postal Service

> Luke Mildren Black Mountain Operating, LLC 500 MAIN ST STE 1200 FORT WORTH, TX 76102 Reference #: Queen 23/24 WIU PH

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 28, 2016

Black Mountain Operating, LLC 500 Main Street, Suite 1200 Fort Worth, TX 76102 Attn: Mr. Luke Mildren

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate Black Mountain Operating, LLC ("Black Mountain") owns an undivided 18.5625% WI in Federal Lease NM 110829 in the NE/4SE/4 of the captioned Section 24 as to all depths. Accordingly, Black Mountain owns a 1.546880% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Black Mountain's interest covering rights from the surface to the base of the Wolfcamp formation in the above referenced lands.

THIS WELL PROPOSAL IS IN COMPLETE SUBSTITUTION FOR THAT CERTAIN PROPOSAL LETTER DATED NOVEMBER 18, 2016 (SEE COPY ENCLOSED).

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden

Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 18, 2016

Black Mountain Operating, LLC 500 Main Street, Suite 1200 Fort Worth, TX 76102 Attn: Mr. Luke Mildren

Re:

Queen "23/24" WIU S/2 of Sections 23 and 24 T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 640 acres, more or less.

In reference to the above, public records indicate Black Mountain Operating, LLC ("Black Mountain") owns an undivided 100% WI in the SW/4SW/4 of the captioned Section 23 and a 34.35% WI in Federal Lease NM 110829 in the NE/4SE/4 of the captioned Section 24 as to all depths. Accordingly, Black Mountain owns an 8.39688% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The S/2 of Section 23 and 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The S/2 of Section 23 and 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of Black Mountain's interest covering rights from the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

From: Paul Haden

Sent: Friday, May 19, 2017 3:58 PM **To:** Lauren_Burckle@oxy.com

Cc: Corey Mitchell; Mitchell Robb

 Subject:
 Re: Queen "23/24" WIU

 Attachments:
 20170519153023729.pdf

Lauren , see attached revised pages . In Article XVI. , paragraph C , I added a second sentence to that paragraph , since there is an Operating Agreement dated October 1, 2010 which covers some of our lands and other lands which created contractual interests . Oxy was a party to that JOA . Exhibit "A" has been revised to exclude Nadel and Gussman Permian , LLC , Black Mountain Operating , LLC , Crump Energy Partners II , LLC , Crown Oil Partners V , LP ,Black Crown Energy Partners , LP and Oak Valley Mineral & Land , LP as these interests were acquired by Marathon Oil Company in a recent acquisition and accordingly I added them to the Exhibit with their percentage interest . Also I added some contact information for notice purposes .

Regarding your email dated May 4, 2017 you requested several revisions . Page 3 , Article IV.A , line 15 we are not agreeable to removing the strike as we do have 2 in house attorneys being Allen G. Harvey and Natalie M. Stevens who render some of our Drilling and DOTOs . This provision is in the JOA for the Mirage "30" WIU in Sec 30 , T19S , R29E whereby Oxy has a 50% WI . In Article VII. F. we are not agreeable to striking the Pref Right provision as we and the other owners want it in . On Page 18 you requested us to strike Article XVI. E . In lieu of striking it , we will do a side letter with Oxy which will excuse Oxy and/or their affiliates from this provision . In Exhibit "a" I included the contact information you requested .

Gas Balancing Agreement:

- 1) We agree to check the box for paragraph 1.16 and to insert the months of November, December, January and February. As a result, paragraph 4.2, Option 1 box has been checked and we inserted "eight (8)" months. This is in line with other discussions with Oxy such that an overproduced party is protected from another party attempting to have their makeup exclusively during the winter period.
- 2) Since we previously struck the paragraph that we inserted in paragraph 1.02, the language in paragraph 3.1 was struck and revised in Article

14 .

- 3) We do not agree to checking the box for paragraph 4.3. This provision creates more problems than it solves if all parties do not agree on the URR. If the parties keep up with and stay within a reasonable imbalance, then this provision is unnecessary.
- 4) We've inserted the notations after the deleted paragraphs 5.1 and 5.2
- 5) We do not agree to checking the box for paragraph 7.4, Alternative 2. MOC's accounting procedures are set up to settle on an "historical sales basis".
- 6) We do not agree to checking the box for paragraph 7.5.1 . The gas may not always be sold under a POP contract . However, paragraph 7.5.2, Option 2, requires the gas value for cash settlement for processed gas to include both the residue gas revenue and the liquids revenue.
- 7) We do not agree to checking Option 7.10 . Interim cash balancing is not necessary if the parties monitor their monthly gas imbalance . As Operator , Mewbourne closely monitors the monthly gas flow for all the parties in a well . In fact , if all parties agree for Mewbourne to market all the gas production from the well , there should not be a gas imbalance . However , if Oxy insists on taking their gas in-kind and is unsatisfied they are within an acceptable level of imbalance at any point in time (it will never be an exact imbalance if Oxy is taking their gas in-kind) , Oxy already would have the ability in the GBA to request makeup and Oxy will receive a volume of gas each month above their entitlement

- to reduce eliminate any gas imbalance. It is not necessary for Oxy to have to wait until the conditions of Section 13.2 of the GBA for Oxy to capture value for any imbalance.
 - 8) We've checked the second box in paragraph 12.9 as it was an omission typo.
- 9) in Paragraph 13.2 we deleted the word "and" immediately preceding the crossed out portion of the fourth sentence . Otherwise , the sentence is incomplete .

Please substitute the respective revised pages with the ones currently in your possession and advise me asap if Oxy is agreeable to the above .

Let me know if you have any further questions or concerns. Thanks Lauren.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Friday, May 19, 2017 2:30 PM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.19.2017 15:30:23 (-0400)

From:

Paul Haden

Sent:

Friday, May 05, 2017 1:41 PM

To:

'Lauren_Burckle@oxy.com'

Subject:

RE: Queen "23/24" WIU

Hi Lauren . We'll review your requested changes and get back to you . FYI , the upcoming Pooling Hearing has been continued to May 25th .

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland. TX 79701-4279

Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message----

From: Lauren Burckle@oxy.com [mailto:Lauren Burckle@oxy.com]

Sent: Thursday, May 04, 2017 5:01 PM

To: Paul Haden

Subject: RE: Queen "23/24" WIU

HI Paul,

Thank you for sending the updates.

Oxy would like to propose the following changes to the JOA and exhibits.

JOA:

- Page 3, Article IV.A, line 15- remove the strike
- Article VII. F. Line 35: Preferential Right to Purchase- strike pref right here and on the table of contents
- Page 18, Article XVI. E- strike paragraph

Exhibit A:

Please update Oxy's address to be:

Attention: Permian Land Manager 5 Greenway Plaza Suite 110 Houston, Texas 77046

Gas Balancing Agreement:

- 1.16-: define winter to be November, December, January and February
- 4.3: Check with 100%
- -7.4: Check option 2

-7,5.1: Check option

7.10: we would like this option to be available

Please let me know if the changes can be accommodated.

Thank you, Lauren

----Original Message-----

From: Paul Haden [mailto:phaden@Mewbourne.com]

Sent: Tuesday, May 02, 2017 10:12 AM

To: BCason@concho.com; NWeeks@matadorresources.com; sdhardin@sbcglobal.net; Burckle, Lauren A

<Lauren Burckle@oxy.com>; Charles Moran@eogresources.com

Subject: [EXTERNAL] Re: Queen "23/24" WIU

To all, attached for your further handling are revised pages to the JOA dated December 15, 2017 for the captioned WIU. These revisions include the following:

- 1) Exhibit "A" The contact information for COG, MRC Permian and TBO Oil & Gas was revised on Page 1.
- 2) Exhibit "C" The date of the JOA was inserted in the heading on Page 1.
- 3) Exhibit "D" The date of the JOA was inserted in the heading on Page 1.
- 4) Exhibit "F" The date of the JOA was inserted in the heading.
- 5) Exhibit "H" The date of the JOA was inserted in the heading on Page 1.
- 6) Exhibit "H" Exhibit "A" was included .

As to the Recording Supplement, Exhibit "A" was included.

In reference to the above, please substitute the attached pages for the ones currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279

Office Phone: 432-682-3715 Fax: 432-685-4170

Fax: 432-685-41/0 Cell: 432-557-2521

----Original Message----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, May 02, 2017 9:48 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.02.2017 10:48:04 (-0400)

From:

Paul Haden

Sent:

Tuesday, May 02, 2017 10:12 AM

To:

BCason@concho.com; NWeeks@matadorresources.com; sdhardin@sbcglobal.net;

Lauren_Burckle@oxy.com; Charles_Moran@eogresources.com

Subject:

Re: Queen "23/24" WIU

Attachments:

20170502104804661.pdf

To all, attached for your further handling are revised pages to the JOA dated December 15, 2017 for the captioned WIU. These revisions include the following:

- 1) Exhibit "A" The contact information for COG, MRC Permian and TBO Oil & Gas was revised on Page 1.
- 2) Exhibit "C" The date of the JOA was inserted in the heading on Page 1.
- 3) Exhibit "D" The date of the JOA was inserted in the heading on Page 1.
- 4) Exhibit "F" The date of the JOA was inserted in the heading.
- 5) Exhibit "H" The date of the JOA was inserted in the heading on Page 1.
- 6) Exhibit "H" Exhibit "A" was included .

As to the Recording Supplement, Exhibit "A" was included.

In reference to the above, please substitute the attached pages for the ones currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, May 02, 2017 9:48 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.02.2017 10:48:04 (-0400)

From:

Paul Haden

location. Please substitute this page for the one currently in your possession.

Sent:

Tuesday, April 04, 2017 3:02 PM

To:

'rburess@concho.com'; 'MMcAuliffe@concho.com'; 'brsouth@chevron.com';

'chopson@bcoperating.com'; 'Charles_Moran@eogresources.com';

'Lauren_Burckle@oxy.com'; 'luke.mildren@blackmtn.com';

'NWeeks@matadorresources.com'

Subject:

Attachments:

Re: Queen 23/24 WIU 20170404154231337.pdf

To all , attached for your further handling is revised Page 5 of the proposed JOA dated December 15 , 2016 . The surface and bottom hole locations for the initial well has been revised due to the surface owner's request regarding the surface

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, April 04, 2017 2:43 PM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 04.04.2017 15:42:31 (-0400)

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 29, 2017

OXY USA Inc. P.O. BOX 4294 Houston, Texas 77210 Attn: Lauren Burckle

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Dear Lauren:

We acknowledge receiving the separate signed AFEs for the initial wells to be drilled in the captioned proposed Working Interest Unit. To date we have not received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

From:

Paul Haden

Sent:

Tuesday, February 14, 2017 3:44 PM

To:

'Courtney_Carr@oxy.com'

Subject:

RE: NRI in Queen 23/24 W2OP Federal Com #2H

Courtney, no I can't as title has not been examined yet, currently in progress supposedly. However, Oxy has a 30% WI and 81.25% NRI in Fed Lse NM 107373 as to all depths in the NW/4SE/4 and S/2SE/4 of Section 24, according to our records . So , Oxy will have a greater than a 75% NRI as to its interest in each proposed proration unit . Sorry I can't be of more help to you right now .

Paul Haden

Land Department



🔯 Mewbourne Oil Company

500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From: Courtney Carr@oxy.com [mailto:Courtney Carr@oxy.com]

Sent: Tuesday, February 14, 2017 3:31 PM

To: Paul Haden

Subject: NRI in Queen 23/24 W2OP Federal Com #2H

Can you confirm OXY's NRI in the subject well?

Thanks,

Courtney Carr Land Negotiator OXY USA Inc. 5 Greenway Plaza, Suite 110 | Houston, TX 77046

Office: (713) 599-4116 Cell: (281) 840-2259

E-Mail: courtney carr@oxy.com

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

January 4, 2017

OXY USA, Inc. P.O. Box 4294 Houston, Texas 77210 Attn: Lauren Burckle

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Ladies and Gentlemen:

Regarding the captioned proposed Working Interest Unit (WIU), enclosed for your further handling are the following:

- 1) Proposed form of Operating Agreement dated December 15, 2016.
- 2) Signature pages of the JOA and GBA.
- 3) Recording Supplement to Operating Agreement.

In reference to the above, please have the enclosed signature pages of the Operating Agreement and Gas Balancing Agreement executed and returned to me at your earliest convenience as well as the executed Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

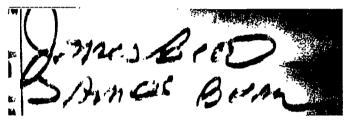


Date: December 14, 2016

Simple Certified:

The following is in response to your December 14, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019162989. The delivery record shows that this item was delivered on December 14, 2016 at 4:32 am in HOUSTON, TX 77210. The scanned image of the recipient information is provided below.

Signature of Recipient:



Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs.

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Sincerely, United States Postal Service

David Steele
OXY USA Inc.
PO BOX 4294
HOUSTON, TX 77210
Reference #: Queen 23/24 WIU PH

From:

Paul Haden

Sent:

Wednesday, December 28, 2016 9:06 AM

To:

Travis Cude

Subject:

RE: Mewbourne Queen 23/24H

Thanks Travis, that ought to help. I did send Oxy both well proposals.

Paul Haden

Land Department



Mewbourne Oil Company
500 West Texas Ave., Suite 1020

Midland, TX 79701-4279
Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From: Travis Cude

Sent: Wednesday, December 21, 2016 4:58 PM

To: Sarah Izzat@oxy.com **Cc:** Nathan Cless; Paul Haden

Subject: RE: Mewbourne Queen 23/24H

Hi Sarah!

Did you happen to receive two proposals? We are planning to drill both a Wolfcamp Y Sand(WOOP) and a Wolfcamp D Shale(W2OP) back to back with our walking rig.

The first well, currently planned for the WOOP, is planned to spud the middle of next summer (late July, early August). As for the completion, we'd hope to be able to start completing the wells late November after both wells are drilled.

Wolfcamp Sand:

37 stages plug and perf(12 clusters/stage), ~10 MMgals slickwater and 10 MM# (100 mesh, 40/70 white). 13' cluster spacing

Wolfcamp Shale:

43 stages plug and perf(12 clusters/stage), ~13 MMgals slickwater and 10.5 MM# (100 mesh, 40/70 white). 10' cluster spacing

Right now we are looking 1320' spacing in the Wolfcamp sand, and 880' spacing in the Wolfcamp D shale.

Let me know what else I can help with!

Travis Cude

Reservoir Engineer
Mewbourne Oil Company

500 W Texas Ave. Midland, TX 79701

From: Sarah Izzat@oxy.com [mailto:Sarah Izzat@oxy.com]

Sent: Wednesday, December 21, 2016 3:54 PM

To: Travis Cude **Cc:** Nathan Cless

Subject: Mewbourne Queen 23/24H

Hello,

I received a ballot from Mewbourne for the Mewbourne Queen 23/24H, a new drill in T24S R28E, Eddy County, New Mexico.

I need the following information and was hoping you could help as Paul Haden (Land) gave me your contact info as the RE and geo.

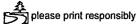
- Spud Date
- Proposed Completion-
- total proppant,
- cluster spacing,
- # stages
- Total fluid
- Proposed spacing
- Target Formation
- COPAS- drilling or well
- Op Cost
- Overhead % on Capital

I am aiming to present this well to management very soon, so please get back with me as soon as you can, though I know it is tough with people out during the holidays.

Happy holidays!

Thank you in advance for your assistance.

Sarah Kassis Izzat
Senior Reservoir Engineer
Occidental Oil and Gas Corporation
Office 713.350.4615
Mobile 281.928.8026
Sarah Izzat@oxy.com



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Sarah Kassis Izzat Senior Reservoir Engineer **Occidental Oil and Gas Corporation** Office 713.350.4615 Mobile 281.928.8026 Sarah Izzat@oxy.com



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From:

Paul Haden

Sent:

Monday, December 12, 2016 4:27 PM

To:

'Sarah_Izzat@oxy.com'

Subject:

RE: Queen "23/24" W2OP Federal Com #1H and #2H

Hi Sarah . The geologist for this project is Nate Cless , his email is ncless@mewbourne.com and the reservoir engineer for this project is Travis Cude , his email being tcude@mewbourne.com . You can reach both of them at (432) 682-3715 . Thanks for getting on this . Happy Holidays !

Paul Haden

Land Department



Mewbourne Oil Company

500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From: Sarah Izzat@oxy.com [mailto:Sarah Izzat@oxy.com]

Sent: Monday, December 12, 2016 4:20 PM

To: Paul Haden

Subject: Queen "23/24" W2OP Federal Com #1H and #2H

Importance: High

Hello Mr. Haden,

I am evaluating Mewbourne's proposal for the Queen 23/24 W2OP Fed Com #1H and 2H, and was hoping that you could provide me with the contact information for the reservoir and completion engineers on the projects. I need a little bit information in order to flesh out my analysis.

I will need this information relatively quickly since the holidays are coming up which will likely delay things.

Thank you very much in advance!

Sarah Kassis Izzat
Senior Reservoir Engineer
Occidental Oil and Gas Corporation
Office 713.350.4615
Mobile 281.928.8026
Sarah Izzat@oxy.com



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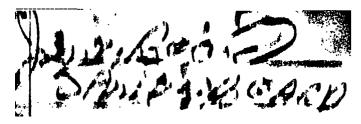


Date: December 1, 2016

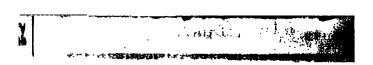
Simple Certified:

The following is in response to your December 1, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019282601. The delivery record shows that this item was delivered on December 1, 2016 at 4:44 am in HOUSTON, TX 77210. The scanned image of the recipient information is provided below.

Signature of Recipient:



Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

David Steele
OXY USA Inc.
PO BOX 4294
HOUSTON, TX 77210
Reference #: Queen 23/24 WIU PH

Mewbourne Oil Company

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

<u>Via Certified Mail</u>

November 28, 2016

OXY USA Inc. P.O. Box 4294 Houston, Texas 77210 Attn: Mr. David Steele

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate OXY USA Inc. ("OXY") owns an undivided 30% interest in the NW/4SE/4 and S/2SE/4 of the captioned Section 24. Accordingly, OXY owns a 7.5000% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 WOOP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout OXY's interest covering rights from the surface to the base of the Wolfcamp formation in the above referenced lands.

THIS WELL PROPOSAL IS IN COMPLETE SUBSTITUTION FOR THAT CERTAIN PROPOSAL LETTER DATED NOVEMBER 18, 2016 (SEE COPY ENCLOSED).

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 18, 2016

OXY USA Inc. P.O. Box 4294 Houston, Texas 77210 Attn: Mr. David Steele

Re: Queen "23/24" WIU
S/2 of Sections 23 and 24
T24S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 640 acres, more or less.

In reference to the above, public records indicate OXY USA Inc. ("OXY") owns an undivided 3.125% WI in the NE/4SW/4 of the captioned Section 23 and an undivided 50% WI in the SE/4SW/4 of the captioned Section 23 and an undivided 30% interest in the NW/4SE/4 and S/2SE/4 of the captioned Section 24. Accordingly, OXY owns a 8.94531% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The S/2 of Section 23 and 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The S/2 of Section 23 and 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout OXY's interest covering rights from the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

From:

Paul Haden

Sent:

Wednesday, May 03, 2017 8:15 AM

To:

'Charles Moran'

Subject:

RE: Quinico

Chuck, I'm pretty sure it is Chevron. The contact there is Brandon South. Ph # is (432) 687-7267, email is brsouth@chevron.com . I think Quinoco went to Hallwood Petroleum and then to Chevron USA Inc.

Paul Haden

Land Department



Mewbourne Oil Company

500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From: Charles Moran [mailto:Charles Moran@eogresources.com]

Sent: Tuesday, May 02, 2017 6:06 PM

To: Paul Haden Subject: Quinico

Paul: Have you had any luck tracking them down. Could it be Chevron?

Chuck Moran EOG Resources, Inc. - Midland Division 432-686-3684

From:

Paul Haden

Sent:

Tuesday, May 02, 2017 10:12 AM

To:

BCason@concho.com; NWeeks@matadorresources.com; sdhardin@sbcglobal.net;

Lauren_Burckle@oxy.com; Charles_Moran@eogresources.com

Subject:

Re: Queen "23/24" WIU

Attachments:

20170502104804661.pdf

To all, attached for your further handling are revised pages to the JOA dated December 15, 2017 for the captioned WIU . These revisions include the following:

- 1) Exhibit "A" The contact information for COG, MRC Permian and TBO Oil & Gas was revised on Page 1.
- 2) Exhibit "C" The date of the JOA was inserted in the heading on Page 1.
- 3) Exhibit "D" The date of the JOA was inserted in the heading on Page 1.
- 4) Exhibit "F" The date of the JOA was inserted in the heading.
- 5) Exhibit "H" The date of the JOA was inserted in the heading on Page 1.
- 6) Exhibit "H" Exhibit "A" was included .

As to the Recording Supplement, Exhibit "A" was included.

In reference to the above, please substitute the attached pages for the ones currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, May 02, 2017 9:48 AM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 05.02.2017 10:48:04 (-0400)

From:

Paul Haden

Sent:

Wednesday, April 19, 2017 3:43 PM

To:

'BCason@concho.com'; 'NWeeks@matadorresources.com'; 'Lauren_Burckle@oxy.com';

'bsouth@chevron.com'; 'chopson@bcoperating.com'

Cc:

'RBuress@concho.com'

Subject:

FW: Message from "Ricoh-MP-C6003-MID-2"

Attachments:

20170419152630615.pdf

To all , attached for your further handling are some revised pages to the JOA dated Dec 15 , 2016 . In the Table of Contents , Option 2 was struck in Article VI. G per Matador's request . On Page 10 on line 3 , \$50,000 was deleted and \$75,000 was inserted in its place . In Article VI. A , I revised the initial location slightly per the surface owner's request due to some surface issues . The description for the proposed interval to be tested was revised to more adequately describe the interval within the Wolfcamp formation to be tested per COG's request . On Page 13 on line 1 , fifteen (15) was revised to thirty (30) per Matador's request . In Article XVI. C. , December 15, 2016 was inserted in the blank on line 13 . In Article XVI. D., the exclusion language is revised to state that the Agreement specifically excluded the well as described therein per COG's request . In Article E. , the phrase "Save and except in this Agreement , " was inserted at the beginning of the sentence per Matador's request .In Article XVI. , paragraphs H , I and J were added per Matador's request .In Exhibit "A" , Paragraph 2 as to depth restrictions , the Wolfcamp formation was more adequately described and COG's contact information was revised per COG's request . In Exhibit "A" , Paragraph 6 as to Burdens On Production , I inserted "as of the date of this Agreement . " Once the Drilling Title Opinion is rendered , the burdens of record can be added to this paragraph .

In Exhibit "B", I added the phrase "And There Are No Parties Participating In The Contract Area With Unleased Minerals ". In Exhibit C. (Copas) on Page 9, under Article III., 1. A. (ii), Alternative 3 was checked in lieu of Alternative 2 per Matador's request. In Exhibit "D". parapraph 9 was added per Matador's request. In Exhibit "E" under Definitions in paragraph 1.02, the third box was deleted and the language inserted in the blanks was deleted per Matador's request. In Exhibit "E", Gas Balancing Agreement, paragraph 12.9 on Page 5, the second box was checked per Matador's request.

In reference to the above, please insert the attached revised pages for the ones currently in your possession if your firm is agreeable to the proposed revisions. Let me know if you have any questions or concerns regarding the above. Please have the signature and acknowledgment pages that are currently in your possession executed and returned to me with the executed Recording Memorandum for the Operating Agreement.

Thanks for your cooperation in connection with the above.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From:

Paul Haden

Sent:

Monday, April 17, 2017 2:18 PM

To:

'Charles Moran'; Drew Robison

Cc:

Corey Mitchell

Subject:

RE: Queen 23/24 WIU

Chuck, I'm pretty certain that Quinoco went to Hallwood Petroleum and then to Chevron USA. You could check with Chevron to confirm that

regarding EOG's assignment that should have gone to Quinoco . Until EOG assigns its interest to Quinoco's successor , we will have to assume

EOG owns the interest as EOG is in the chain of title for depths below 7,202' in the NE/4SW/4 of Sec 24, T23S, R28E.

Paul Haden

Land Department



Mewbourne Oil Company

500 West Texas Ave., Suite 1020 Midland, TX 79701-4279

Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

From: Charles Moran [mailto:Charles Moran@eogresources.com]

Sent: Friday, April 14, 2017 2:24 PM **To:** Drew Robison; Paul Haden

Cc: Corey Mitchell

Subject: Queen 23/24 WIU

Paul: As a follow up to our conversation sometime after my receipt of your March 31, 2017 letter concerning the Queen 23/24 WIU, I have looked for additional information. As I we discussed, I do not believe EOG Resources Inc. owns an interest in your proposed well. The lease in question is NM-27919 in NESW Sec. 24-24S-28E. You state that according to your search of the county records, EOG still owns the interest. By my review of the EOG records, EOG believes this interest was sold to Quinoco. I have attached the incomplete assignment from EOG to Quinoco that was not signed by Quinoco. The notes in the file say this lease was to be included in a sale of the Craft 25#1 well to Quinoco.

My understanding after our conversation was that you were going to track down how Quinoco ended up with. Have you learned anything?

Chuck Moran EOG Resources, Inc. - Midland Division 432-686-3684

From:

Paul Haden

Sent:

Tuesday, April 04, 2017 3:02 PM

To:

'rburess@concho.com'; 'MMcAuliffe@concho.com'; 'brsouth@chevron.com';

'chopson@bcoperating.com'; 'Charles_Moran@eogresources.com';

'Lauren_Burckle@oxy.com'; 'luke.mildren@blackmtn.com';

'NWeeks@matadorresources.com'

Subject:

Re: Queen 23/24 WIU

Attachments:

20170404154231337.pdf

To all, attached for your further handling is revised Page 5 of the proposed JOA dated December 15, 2016. The surface and bottom hole locations for the initial well has been revised due to the surface owner's request regarding the surface location. Please substitute this page for the one currently in your possession.

Paul Haden Land Department Mewbourne Oil Company 500 West Texas Ave., Suite 1020 Midland, TX 79701-4279 Office Phone: 432-682-3715

Fax: 432-685-4170 Cell: 432-557-2521

----Original Message-----

From: Paul Haden [mailto:phaden@mewbourne.com]

Sent: Tuesday, April 04, 2017 2:43 PM

To: Paul Haden

Subject: Message from "Ricoh-MP-C6003-MID-2"

This E-mail was sent from "Ricoh-MP-C6003-MID-2" (MP C6003).

Scan Date: 04.04.2017 15:42:31 (-0400)

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 31, 2017

EOG Resources, Inc. P.O. BOX 2267 Midland, Texas 79702 Attn: Mr. Chuck Moran

Re:

Queen "23/24" WIU SE/4 of Section 23 and

S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Chuck:

Regarding the captioned Working Interest Unit, to date we have not received the signed AFEs from you for the proposed initial wells, nor have we received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

March 31, 2017

EOG Resources, Inc. P.O. BOX 2267 Midland, Texas 79702 Attn: Mr. Chuck Moran

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Chuck:

Regarding the captioned Working Interest Unit, to date we have not received the signed AFEs from you for the proposed initial wells, nor have we received the executed signature and acknowledgement pages of the proposed Operating Agreement dated December 15, 2016 and the executed Operating Agreement Recording Memorandum. Please have same executed and returned to me at your earliest convenience.

Regarding the above, please be advised that Mewbourne Oil Company ("Mewbourne") will be filing an Application For Compulsory Pooling in the near future in order for Mewbourne to be able to drill the proposed wells in a timely manner.

Sincerely yours,

MEWBOURNE OIL COMPANY

Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

January 4, 2017

EOG Resources, Inc. P.O. Box 2267 Midland, TX 79701 Attn: Mr. Matthew Phillips

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Gentlemen:

Regarding the captioned proposed Working Interest Unit (WIU), enclosed for your further handling are the following:

- 1) Proposed form of Operating Agreement dated December 15, 2016.
- 2) Signature pages of the JOA and GBA.
- 3) Recording Supplement to Operating Agreement.

In reference to the above, please have the enclosed signature pages of the Operating Agreement and Gas Balancing Agreement executed and returned to me at your earliest convenience as well as the executed Recording Supplement.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman DPH/ak



Date: December 1, 2016

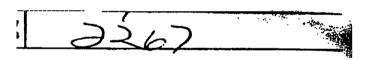
Simple Certified:

The following is in response to your December 1, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945019311622. The delivery record shows that this item was delivered on December 1, 2016 at 7:19 am in MIDLAND, TX 79702. The scanned image of the recipient information is provided below.

Signature of Recipient:

Jimmy Whitehead

Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely, United States Postal Service

> EOG Resources, Inc. PO Box 2267 Midland, TX 79702 Reference #: Queen 23/24 WIU PH

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (432) 682-3715 FAX (432) 685-4170

Via Certified Mail

November 29, 2016

EOG Resources, Inc. P.O. Box 2267 Midland, TX 79702 Attn: Mr. Matthew Phillips

Re:

Queen "23/24" WIU SE/4 of Section 23 and S/2 of Section 24, T24S, R28E Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form the captioned Working Interest Unit (WIU) for Wolfcamp Oil and gas production containing 480 acres, more or less.

In reference to the above, public records indicate EOG Resources, Inc. ("EOG") owns an undivided 100% WI in the NE/4SW/4 of the captioned Section 24 below 7,202 feet beneath the surface. Accordingly, EOG owns a 8.33333% unit WI in the proposed WIU.

Regarding the above, Mewbourne hereby proposes the following two wells which will be drilled back to back in the fall of 2017:

- 1) Mewbourne proposes to drill the Queen 23/24 W2OP Federal Com #2H Well at a surface location 650' FSL & 2455' FEL of the captioned Section 23 and drill some horizontally to a terminus point 330' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 10,794 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled therefrom horizontally from a westerly direction to an easterly direction in the middle Wolfcamp shale interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 17,874 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.
- 2) Mewbourne proposes to drill the Queen 23/24 W0OP Federal Com #1H Well at a surface location 710' FSL & 2455' FEL of the captioned Section 23 and drill same to a terminus point 450' FSL & 330' FEL of the captioned Section 24. The proposed well will be drilled to a true vertical depth of approximately 9,745 feet beneath the surface at the referenced surface location in the Wolfcamp formation and drilled horizontally from a westerly direction to an easterly direction in the Upper Wolfcamp Sand interval in the Wolfcamp formation for oil and gas production. The proposed well will be drilled to a true measured depth of approximately 16,886 feet to the above referenced bottom hole location. The SE/4 of Section 23 and S/2 of Section 24 will be dedicated to the proposed well as its nonstandard proration unit and project area.

In reference to the above proposed wells, enclosed are separate AFE's for each well in the event your firm elects to participate in the proposed WIU and proposed wells. Should your firm elect to participate in the proposed wells, please have the enclosed AFEs signed and returned to me within thirty (30) days. Upon receipt of same I will forward you our Operating Agreement for execution.

In the event your firm elects not to participate in the proposed WIU, Mewbourne would be interested in acquiring a term assignment or farmout of EOG's interest covering rights below 7,202 feet beneath the surface to the base of the Wolfcamp formation in the above referenced lands.

Should you have any questions regarding the above, please call me at (432) 682-3715 or if by email, my email address is phaden@mewbourne.com. We are looking forward to working with your firm on this drilling project.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Weil Name: Queen 23/24 W0OP Fed Com #1H Pros	spect:			
Location: SL: 710' FSL & 2455' FEL Sec 23; BHL: 450' FSL & 330' FEL Sec 24	ounty: E	ddy	*****	ST: NM
Sec. 23 Blk: Survey: TWP: 24S	RNG:	28E Prop. TVE	9745	TMD: 16886
INTANGIBLE COSTS 0180	CODE	ТСР	CODE	CC
Regulatory Permits & Surveys	0180-01		0180-0200	
Location / Road / Site / Preparation	0180-01		0180-0205	\$30,000
Location / Restoration	0180-01		0180-0206	\$20,000
Daywork / Turnkey / Footage Drilling 19 days drig & 3 days comp @ \$16250/day	0180-01		0180-0210	\$53,000
Fuel 1500 gal/day @ \$1.70/gal	0180-01		0180-0220	
Mud, Chemical & Additives Horizontal Drillout Services Coil Tbg Drillout	0180-01	20 \$120,000	0180-0220	\$138,200
Cementing 2 Stg 7" w/ ECP	0180-01	25 \$80,000	0180-0225	\$20,000
Logging & Wireline Services	0180-01		0180-0230	\$186,900
Casing / Tubing / Snubbing Service	0180-01		0180-0234	\$15,000
Mud Logging	0180-01			
Stimulation 37 Stg 9.7 MM gal/9.8 MM lb			0180-0241	\$1,852,800
Stimulation Rentals & Other			0180-0242	\$159,400
Water & Other	0180-01		0180-0245	\$327,300
Bits	0180-01		0180-0248	\$4,000
Inspection & Repair Services	0180-01		0180-0250	\$5,000
Misc. Air & Pumping Services Testing & Flowback Services	0180-01		0180-0254 0180-0258	\$10,000 \$26,500
Completion / Workover Rig 4 days @ \$3500/day Toe Prep	10180-01	ου φ15,000	0180-0258	\$18,700
Rig Mobilization	0180-01	\$160,000		\$10,700
Transportation	0180-01		0180-0265	\$12,000
Welding Services	0180-01		0180-0268	\$5,000
Contract Services & Supervision	0180-01		0180-0270	\$3,000
Directional Services	0180-01			
Equipment Rental	0180-01		0180-0280	\$30,000
Well / Lease Legal	0180-01		0180-0284	
Well / Lease Insurance	0180-01	85 \$5,200	0180-0285	
Intangible Supplies EXHIBIT	0180-01	88 \$8,000	0180-0288	\$1,000
Damages EXTITED 1	0180-01	90 \$20,000	0180-0290	
ROW & Easements	0180-01	92	0180-0292	\$25,000
Pipeline Interconnect	<u> </u>		0180-0293	
Company Supervision	0180-01		0180-0295	\$75,000
Overhead Fixed Rate	0180-01		0180-0296	\$20,000
Well Abandonment	0180-01		0180-0298	
Contingencies 10% (TCP) 5% (CC)	0180-01		0180-0299	\$151,700
TOTAL	<u></u>	\$1,761,200		\$3,186,500
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-07	93		
Casing (10.1" - 19.0") 420' - 13 3/8" 54.5# J55 STC @ \$25.87/ft + GRT	0181-07	94 \$11,000		
Casing (8.1" - 10.0") 2600' - 9 5/8" 40# N80 LTC @ \$22.20/ft + GRT	0181-07	95 \$58,000		
Casing (6.1" - 8.0") 10120' - 7" 29# P110 LTC @ \$18.60/ft + GRT	0181-07	96 \$188,500		
Casing (4.1" - 6.0") 7750' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT	<u> </u>		0181-0797	\$72,000
	i		0181-0798	
Tubing (2" - 4")	-∦	60 \$20,000]	
Drilling Head	0181-08	55 \$25,555		
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree	0181-08	V20,000	0181-0870	\$40,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger	0181-08		0181-0870 0181-0871	\$40,000 \$27,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods	0181-08	V-0,000	0181-0870 0181-0871 0181-0875	
Drilling Head Tubing Head & Upper Section includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment	0181-08	723,000	0181-0870 0181-0871 0181-0875 0181-0880	
Drilling Head Tubing Head & Upper Section includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems	0181-08	¥23,000	0181-0870 0181-0871 0181-0875 0181-0880 0181-0884	
Drilling Head Tubing Head & Upper Section includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit	0181-08		0181-0870 0181-0871 0181-0875 0181-0880 0181-0884 0181-0885	\$27,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump	0181-08		0181-0870 0181-0871 0181-0875 0181-0880 0181-0884 0181-0885 0181-0886	\$27,000 \$50,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel	0181-08		0181-0870 0181-0871 0181-0885 0181-0880 0181-0884 0181-0886 0181-0886	\$27,000 \$50,000 \$38,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated	0181-08		0181-0870 0181-0871 0181-0875 0181-0880 0181-0884 0181-0885 0181-0886	\$27,000 \$50,000 \$38,000 \$44,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel	0181-08		0181-0870 0181-0871 0181-0875 0181-0880 0181-0884 0181-0885 0181-0886 0181-0890	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB	0181-08		0181-0870 0181-0871 0181-0875 0181-0880 0181-0884 0181-0886 0181-0886 0181-0890 0181-0891	\$27,000 \$50,000 \$38,000 \$44,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT	0181-08		0181-0870 0181-0871 0181-0880 0181-0884 0181-0886 0181-0886 0181-0890 0181-0891 0181-0895 0181-0895	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories	0181-08		0181-0870 0181-0871 0181-0880 0181-0884 0181-0885 0181-0886 0181-0890 0181-0891 0181-0895 0181-0897	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection	0181-08		0181-0870 0181-0871 0181-0880 0181-0884 0181-0886 0181-0896 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898 0181-0900 0181-0900	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$7,000 \$50,000 \$65,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation	0181-08		0181-0870 0181-0871 0181-0880 0181-0886 0181-0886 0181-0890 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898 0181-0900 0181-0908	\$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$65,000 \$5,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	0181-08		0181-0870 0181-0871 0181-0880 0181-0886 0181-0886 0181-0890 0181-0890 0181-0891 0181-0895 0181-0897 0181-0990 0181-0906 0181-0908 0181-0908	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$5,000 \$50,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas			0181-0870 0181-0871 0181-0880 0181-0884 0181-0885 0181-0886 0181-0890 0181-0890 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908 0181-0908 0181-0908 0181-0909 0181-0909	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$5,000 \$50,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation		\$277,500	0181-0870 0181-0871 0181-0880 0181-0884 0181-0885 0181-0886 0181-0890 0181-0890 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908 0181-0908 0181-0908 0181-0909 0181-0909	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$5,000 \$50,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas			0181-0870 0181-0871 0181-0880 0181-0886 0181-0886 0181-0896 0181-0890 0181-0895 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908 0181-0909	\$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$50,000 \$50,000 \$55,000 \$100,000
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15'x1K Hor 3 ph/30"x10'x1K 2 ph/GB Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL SUBTOTAL		\$277,500	0181-0870 0181-0871 0181-0880 0181-0884 0181-0885 0181-0886 0181-0890 0181-0890 0181-0897 0181-0898 0181-0900 0181-0900 0181-0900 0181-0900 0181-0900	\$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$65,000 \$50,000 \$50,000 \$100,000
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Drilling Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15"x1K Hor 3 ph/30"x10"x1K 2 ph/GB Heater Treaters, Line Heaters 6"x20"x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Equipment Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL TOTAL WELL COST Prepared by: L. Jackson Date: 11/8/2016 Co. Approval: Amount: Joint Owner Interest: Amount: Signature: Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up an	d redrilling	\$277,500 \$2,038,700 \$5,8	0181-0870 0181-0871 0181-0880 0181-0886 0181-0886 0181-0890 0181-0895 0181-0895 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908 0181-0909 0181-0920	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$50,000 \$55,000 \$100,000 \$3,857,500
Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve & Tree Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers VRU and SWD pump Tanks - Oil 4 - 500 bbl steel Tanks - Water 4 - 500 bbl steel coated Separation / Treating Equipment 36"x15"x1K Hor 3 ph/30"x10"x1K 2 ph/GB Heater Treaters, Line Heaters 6"x20"x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" gas Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL SUBTOTAL TOTAL WELL COST Prepared by: L. Jackson Date: 11/8/2016 Joint Owner Interest: Amount: Joint Owner Name: Signature:	d redrilling	\$277,500 \$2,038,700 \$5,8	0181-0870 0181-0871 0181-0880 0181-0886 0181-0886 0181-0890 0181-0895 0181-0895 0181-0897 0181-0898 0181-0900 0181-0908 0181-0908 0181-0909 0181-0920	\$27,000 \$50,000 \$38,000 \$44,000 \$55,000 \$13,000 \$50,000 \$50,000 \$50,000 \$55,000 \$100,000 \$3,857,500
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MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Queen 23/24 W2OP Fed Com #2H	Pros	spect:	<u> </u>		
Location: SL: 650' FSL & 2455' FEL (23); BHL: 330' FSL & 330' FEL (24	4) C	ounty: Edd	dy		ST: NM
Sec. 23 Blk: Survey: T	TWP: 24S	RNG:	28E Prop. TVD	D: 10794'	TMD: 17874'
INTANGIBLE COSTS 0180		CODE	ТСР	CODE	CC
Regulatory Permits & Surveys	<u></u>	0180-0100	\$12,000	0180-0200	
Location / Road / Site / Preparation		0180-0105		0180-0205	\$30,000
Location / Restoration		0180-0106		0180-0206	\$20,000
Daywork / Turnkey / Footage Drilling 22 days drlg & 3 days comp @ \$162 Fuel 1500 gal/day @ \$1.70/gal	250/day	0180-0110 0180-0114		0180-0210	\$53,000
Fuel 1500 gal/day @ \$1.70/gal Mud, Chemical & Additives		0180-0114		0180-0220	
Horizontal Drillout Services Coil Tbg Drillout		1		0180-0222	\$101,000
Cementing 2 Stg 7" w/ ECP		0180-0125		0180-0225	\$20,000
Logging & Wireline Services		0180-0130		0180-0230	\$215,000
Casing / Tubing / Snubbing Service		0180-0134		0180-0234	\$15,000
Mud Logging Stimulation 43 Stg 13 MM gal/10.3 MM lb		10100-0137	Ψ10,000	0180-0241	\$2,228,400
Stimulation Rentals & Other		1	<u></u>	0180-0242	\$159,400
Water & Other		0180-0145		0180-0245	\$364,500
Bits		0180-0148		0180-0248	\$4,000
Inspection & Repair Services		0180-0150		0180-0250	\$5,000
Misc. Air & Pumping Services Testing & Flowback Services		0180-0154	· · · · · · · · · · · · · · · · · · ·	0180-0254 0180-0258	\$10,000 \$26,600
Completion / Workover Rig 4 days @ \$3500/day Toe Prep		10100-0100	ψ10,000	0180-0258	\$18,700
Rig Mobilization		0180-0164	\$160,000		· + · - , · -
Transportation		0180-0165	\$20,000	0180-0265	\$12,000
Welding Services		0180-0168		0180-0268	\$5,000
Contract Services & Supervision		0180-0170		0180-0270	
Directional Services Equipment Rental	<u>,</u>	0180-0175 0180-0180		0180-0280	\$30,000
Well / Lease Legal		0180-0184		0180-0280	Ψου,σου
Well / Lease Insurance		0180-0185		0180-0285	
Intangible Supplies		0180-0188		0180-0288	\$1,000
Damages		0180-0190		0180-0290	227 200
ROW & Easements Pipeline Interconnect		0180-0192		0180-0292 0180-0293	\$25,000
Company Supervision		0180-0195	\$105,000	0180-0293	\$60,000
Overhead Fixed Rate		0180-0196		0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)		0180-0199		0180-0299	
	TOTAL	<u>. </u>	\$1,768,800		\$3,594,800
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793	-	 	
Casing (10.1" - 19.0") 420' - 13 3/8" 54.5# J55 STC @ \$25.87/ft + GRT		0181-0794	\$11,000		
1000ing /9.1" 10.0"\ 2800' = 9.5/8" 40# J55 LTC @ \$22.20/ft + GRT					
Casing (8.1" - 10.0") 2600' - 9 5/8" 40# J55 LTC @ \$22.20/ft + GRT Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT		0181-0795 0181-0796	\$58,000		
Casing (8.1" - 10.0") 2600' - 9 5/8" 40# J55 LTC @ \$22.20/ft + GRT Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT		0181-0795	\$58,000		\$72,400
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4")		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798	
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head		0181-0795	\$58,000 \$204,200	0181-0797 0181-0798	
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870	\$35,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871	\$35,000 \$27,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0875	\$35,000 \$27,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871	\$35,000 \$27,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0875 0181-0880 0181-0884	\$35,000 \$27,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0884 0181-0885 0181-0885	\$35,000 \$27,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0884 0181-0885 0181-0886 0181-0890	\$35,000 \$27,000 \$28,500
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0884 0181-0885 0181-0886 0181-0890 0181-0891	\$35,000 \$27,000 \$28,500 \$11,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel		0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0884 0181-0885 0181-0886 0181-0890	\$35,000 \$27,000 \$28,500 \$11,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0891	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4"	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0875 0181-0880 0181-0885 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898	\$35,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0875 0181-0880 0181-0885 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898 0181-0897 0181-0900	\$35,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0875 0181-0885 0181-0886 0181-0886 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898 0181-0906 0181-0906	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$5,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0875 0181-0880 0181-0885 0181-0886 0181-0890 0181-0895 0181-0897 0181-0898 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$5,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection	/GB	0181-0795 0181-0796	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0875 0181-0885 0181-0886 0181-0886 0181-0890 0181-0891 0181-0895 0181-0897 0181-0898 0181-0906 0181-0906	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$7,000 \$25,000 \$30,000 \$50,000 \$30,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	/GB	0181-0796 0181-0860	\$58,000 \$204,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0897 0181-0897 0181-0909 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$7,000 \$25,000 \$30,000 \$50,000 \$30,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	/GB 4" gas	0181-0795 0181-0796	\$58,000 \$204,200 \$20,000 \$293,200	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0897 0181-0897 0181-0898 0181-0909 0181-0909 0181-0908	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$7,000 \$25,000 \$30,000 \$50,000 \$50,000 \$50,000 \$438,900
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation	/GB 4" gas TOTAL SUBTOTAL	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0897 0181-0897 0181-0898 0181-0909 0181-0909 0181-0908	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$7,000 \$25,000 \$30,000 \$50,000 \$30,000 \$50,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas	/GB 4" gas TOTAL SUBTOTAL ELL COST	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0885 0181-0886 0181-0890 0181-0897 0181-0898 0181-0898 0181-0909 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$50,000 \$50,000 \$50,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas	/GB 4" gas TOTAL SUBTOTAL	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0885 0181-0886 0181-0890 0181-0897 0181-0898 0181-0898 0181-0909 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$50,000 \$50,000 \$50,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4 Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas	/GB 4" gas TOTAL SUBTOTAL ELL COST	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0885 0181-0886 0181-0890 0181-0897 0181-0898 0181-0898 0181-0909 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$50,000 \$50,000 \$50,000
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" Fittings / Valves & Accessories Cathodic Protection Electrical Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL WE Prepared by: L. Jackson Date: Date:	/GB 4" gas TOTAL SUBTOTAL ELL COST 11/8/2016	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0885 0181-0886 0181-0890 0181-0897 0181-0898 0181-0898 0181-0909 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$25,000 \$30,000 \$50,000 \$30,000 \$50,000 \$438,900
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head Tubing Head 8 Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL WE Prepared by: L. Jackson Date: Date: Joint Owner Interest: Amount:	/GB 4" gas TOTAL SUBTOTAL ELL COST 11/8/2016 11/9/2016	0181-0795 0181-0796	\$293,200 \$2,062,000	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0885 0181-0886 0181-0890 0181-0897 0181-0898 0181-0898 0181-0909 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$25,000 \$30,000 \$50,000 \$30,000 \$50,000 \$438,900
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL WE Prepared by: L. Jackson Date: Joint Owner Interest: Amount: Joint Owner Interest: Amount: Signature Signature Signature Part of the Part of t	/GB 4" gas TOTAL SUBTOTAL ELL COST 11/8/2016 11/9/2016	0181-0795 0181-0796	\$293,200 \$2,062,000 \$6,0	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0895 0181-0897 0181-0898 0181-0909 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$11,000 \$55,000 \$13,000 \$7,000 \$25,000 \$30,000 \$50,000 \$50,000 \$438,900 \$4,033,700
Casing (6.1" - 8.0") 10970' - 7" 26# P110 LTC @ \$18.60/ft + GRT Casing (4.1" - 6.0") 7800' - 4 1/2" 13.5# P110 LTC @ \$9.28/ft + GRT Tubing (2" - 4") Drilling Head Tubing Head & Upper Section Includes 10K Frac Valve Horizontal Completion Tools Resource Completion Liner Hanger Sucker Rods Subsurface Equipment Artificial Lift Systems Pumping Unit Surface Pumps & Prime Movers Tanks - Oil 3 - 500 bbl steel Tanks - Water 1 - 500 bbl steel coated Separation / Treating Equipment 36x15x1K Hor 3 ph/30x10x1K 2 ph/ Heater Treaters, Line Heaters 6'x20'x75# HT Metering Equipment Line Pipe & Valves - Gathering (1/2) 2 miles 6" SWD and 4" Fittings / Valves & Accessories Cathodic Protection Electrical Installation Equipment Installation Pipeline Construction (1/2) 2 miles 6" SWD and 4" gas TOTAL WE Prepared by: L. Jackson Date: Joint Owner Interest: Amount: Joint Owner Name: Signatu	TOTAL SUBTOTAL SUBTOTAL 11/8/2016 11/9/2016	0181-0795 0181-0860 0181-0860	\$293,200 \$2,062,000 \$6,0	0181-0797 0181-0798 0181-0870 0181-0871 0181-0885 0181-0886 0181-0886 0181-0890 0181-0891 0181-0895 0181-0906 0181-0908 0181-0908 0181-0909 0181-0909	\$35,000 \$27,000 \$27,000 \$28,500 \$11,000 \$55,000 \$13,000 \$25,000 \$30,000 \$50,000 \$50,000 \$438,900 \$4,033,700
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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION DIVISION**

APPLICATION OF MEWBOURNE OIL COMPANY FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 15,689

AFFIDA	VIT	OF	NO	TICE

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

April 18, 2017

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, *etc.* filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding a Wolfcamp well in the SE/4 of Section 23 and the S/2 of Section 24, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, May 11, 2017, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, May 4, 2017. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing

Ver√trulv vours.

James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

EXHIBIT A

COG Operating LLC 600 W. Illinois Midland, TX 79701 Attn: Ms. Rita A. Buress

EOG Resources, Inc. P.O. Box 2267 Midland, TX 79702 Attn: Mr. Chuck Moran

MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Attn: Mr. Nick Weeks

Black Mountain Operating, LLC 500 Main Street, Suite 1200 Fort Worth, TX 76102 Attn: Mr. Luke Mildren

Nadel and Gussman Permian, LLC, Paleozoic Petroleum, LLC, Crown Oil Partners V, LP, Black Crown Energy Partners, LP, Oak Valley Mineral & Land, LP and Crump Energy Partners, II P.O. Box 50820 Midland, TX 79710 Attn: Mr. Caleb Hopson

TBO Oil & Gas, LLC P.O. Box 10502 Midland, TX 79702

U.S. Postal Service™ COMPLETE THIS SECTION ON DELIVERY CERTIFIED MAIL® RECEIPT SENDER: COMPLETE THIS SECTION A. Signature Domestic Mail Only ■ Complete Items 1, 2, and 3. □ Agent ■ Print your name and address on the reverse For delivery information, visit our website at www.usps.com®. ☐ 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 mailplece. m or on the front if space permits. Certified Mail Fee ~ D. Is delivery address different from item 17 If YES, enter delivery address below: ☐ Yes ᆂ 1. Article Addressed to: Extra Services & Fees (check box, add fee as appropriate) · Nu Black Mountain Operating, LLC Return Receipt (hardcopy) Postmark 000 500 Main Street, Suite 1200 Return Receipt (electronic) Here Fon Worth, TX 76102 Certified Mail Restricted Delivery Aun. Mr. Luke Mildren Adult Signature Required Adult Signature Restricted Delivery \$ Nadel and Gussman Permian, LLC. Postage \sim Paleozoic Petroleum, LLC. Total Postage and Fees Crown Oil Partners V. L.P. ☐ Priority Mail Express® Service Type Black Crown Energy Partners, LP. n Scarrice Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery ☐ Registered Mail™ Oak Valley Mineral & Land, LP and ☐ Registered Mail Restricted Delivery ☐ Return Receipt for م Crump Energy Partners, II Street and Apt. No., or PO Box No p.O. Box 50820 9590 9402 2703 6351 7741 28 Merchandise ☐ Signature Confirmation™ Midland, TX 79710 ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery Ann: Mr. Caleb Hopson Q - A-Note Number (Transfer from convice label) City, State, ZIP+4 ☐ Signature Confirmation Restricted Delivery 7016 2070 0000 2473 2829 See Reverse for Instructions all Restricted Delivery PS Form 3800, April 2015 PSN 7530-02-000-9047 Domestic Return Receipt MO PS Form 3811, July 2015 PSN 7530-02-000-9053 U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com® ~ Certified Mail Fee ū Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Postmark

Certifled Mail Restricted Delivery Here Adult Signature Required $\overline{\Box}$ Adult Signature Restricted Delivery \$ Postage Total Postage and Fees Black Mountain Operating, LLC 500 Main Street, Suite 1200 _0 Sent To Fort Worth, TX 76102 Ann: Mr. Luke Mildren Street and Apt. No., or PO Bux No. PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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PS Form 3811, July 2015 PSN 7530-02-000-9053	M Q Domestic Return Receipt

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Postage

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Total Postage and Fees Sent To Midland, TX 79702

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 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. 	B. Peceived by (Printed Name)	☐ Agent ☐ Addressee C. Date of Delivery ☐ 21 17
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Aum Mr. Nick Weeks	D. Is delivery address different from If YES, enter delivery address be	110011111
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PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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อบอบ 9402 2703 6351 7740 98 2. Article Number (Transfer from service label)	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation □ Signature Confirmation Restricted Delivery
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USPS Tracking® Results

FAQs > (http://faq.usps.com/?articleId=220900)

Track Another Package +

Remove X

Tracking Number: 70162070000024732843

Delivered

Updated Delivery Day: Saturday, April 22, 2017 ()
Product & Tracking Information

See Available Actions

Postal Product:

Features: Certified Mail[™]

DATE & TIME

STATUS OF ITEM

LOCATION

April 22, 2017, 12:39 pm

Delivered, Left with Individual

MIDLAND, TX 79701

Your Item was delivered to an individual at the address at 12:39 pm on April 22, 2017 in MIDLAND, TX 79701.

April 22, 2017, 6:10 am

Arrived at Unit

MIDLAND, TX 79701

See More 🗸

Available Actions

Text Updates

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Email Updates

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Offset Operators

SW/4 Section 23 Mewbourne Oil Company

N/2 Section 23
BC Operating, Inc.
EOG Resources, Inc.

NW/4 Section 24
Dinero Operating Company
EOG Resources, Inc.

NE/4 Section 24
Black Mountain Operating LLC

Section 19-24S-29E COG Operating LLC

N/2 Section 30-24S-29E Murchison Oil & Gas, Inc.

N/2 Section 25 COG Operating LLC Matador Production Company

E/2 Section 26 EOG Resources, Inc.

W/2 Section 26
Mewbourne Oil Company

ехнівіт 6

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

APPLICATION OF MEWBOURNE OIL COMPANY FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 15,689

EXHIBIT

AFFIDAVIT OF NOTICE

COUNTY OF S	
STATE OF NE) ss. SW MEXICO)
James B	Bruce, being duly sworn upon his oath, deposes and states:
1.	I am over the age of 18, and have personal knowledge of the matters stated herein.
2.	I am an attorney for Mewbourne Oil Company.
names and corr	Mewbourne Oil Company has conducted a good faith, diligent effort to find the ect addresses of the offset operators or working interest owners entitled to receive plication filed herein.
	Notice of the application was provided to the offsets by certified mail. Copies of and certified return receipts are attached hereto as Attachment A.
5. 19.15.4.9 and 1	Applicant has complied with the notice provisions of Division Rules NMAC 9.15.4.12.C.
Bruce.	James Bruce CRIBED AND SWORN TO before me this OFFICIAL SEAL KERRIE C. ALLEN Notary Public State of New Mexico
My Commissio	on Expinas: Commission Expires 10 22 18

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

April 13, 2017

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit and compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, regarding Wolfcamp wells in the SE/4 of Section 23 and S/2 of Section 24, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

The matter is scheduled for hearing at 8:15 a.m. on Thursday, May 11, 2017, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend the hearing, but as an offset operator or interest owner who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, May 4, 2017. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

EXHIBIT A

BC Operating, Inc. P.O. Box 50820 Midland, Texas 79710

Dinero Operating Company P.O. Box 10505 Midland, Texas 79702

EOG Resources, Inc. P.O. Box 2267 Midland, Texas 79702

Black Mountain Operating LLC Suite 1200 500 Main Street Fort Worth, Texas 76102

COG Operating LLC 600 West Illinois Avenue Midland, Texas 79701

Murchison Oil & Gas, Inc. Suite 1400 7250 Dallas Parkway Plano, Texas 75024

Matador Production Company Suite 1500 5400 LBJ Freeway Dallas, Texas 75240

SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY U.S. Postal Service™ CERTIFIED MAIL® RECEIPT A. Signature ■ Complete items 1, 2, and 3, ☐ Agent Domestic Mail Only Print your name and address on the reverse ä ☐ Addressee so that we can return the card to you. For delivery information, visit our website at www.usps.com® B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the maliplece. or on the front if space permits. 1. Article Addressed to: Certified Mail Fee \sim If YES, enter delivery address below: _ ū Extra Services & Fees (check box, add fee as appropriate) Dinero Operating Company Return Receipt (hardcopy) Postmark P.O. Box 10505 Return Receipt (electronic) Here Midland. Texas 79702 Certified Mail Restricted Delivery Adult Signature Required $\overline{\Box}$ Adult Signature Restricted Delivery \$ Postage Service Type C Priority Mail Express® Total Postage and Fees ☐ Adult Signature ☐ Registered Mail™ ī Registered Mail Restricted Delivery Return Receipt for Claduit Signature Restricted Delivery BC Operating, Inc. Certified Mail® Certified Mail® Certified Mail Restricted Delivery 몃 Sent To P.O. Box 50820 9590 9402 2703 6351 7740 29 Street and Apt. No., or PO! Midland. Texas 79710 Merchandise ☐ Collect on Delivery ☐ Signature Confirmation™ 2. Article Number (Transfer from service John) very Restricted Delivery 7016 2070 0000 2473 2775 Signature Confirmation Restricted Delivery stricted Delivery (over \$500) PS Form 3800, April 2015 PSN 7530-02-000-9047 PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt U.S. Postal Service™ COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION CERTIFIED MAIL® RECEIPT ■ Complete Items 1, 2, and 3. Domestic Mail Only ☐ Agent ■ Print your name and address on the reverse ☐ Addresse: For delivery information, visit our website at www.usps.com®. so that we can return the card to you. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the malipiece. m or on the front if space permits. Certified Mail Fee D. Is delivery address different from item 1? Tes 1. Article Addressed to: ⇉ If YES, enter delivery address below: ſΨ Fxtra Services & Fees (check box, add fee as appropriate) Peturn Receipt (hardcopy) BC Operating, Inc. Return Receipt (electronic) Postmark Certified Mail Restricted Delivery P.O. Box 50820 $\bar{\Box}$ Adult Signature Required 百 Midland, Texas 79710 Adult Signature Restricted Delivery \$ Postage Total Postage and Fees 3. Service Type ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Actuit Stanzature Dinero Operating Company duit Signature Restricted Delivery Certified Mail® Sent To P.O. Box 10505 Street and Apt. No.: or P. Midland, Texas 79702 ☐ Return Receipt for Merchandise ☐ Certified Mail Restricted Delivery 9590 9402 2703 6351 7740 12 ☐ Collect on Delivery ☐ Signature Confirmation™ 2. Article Number (Transfer from service labor) 2016 5030 0000 5433 5385 ☐ Signature Confirmation Restricted Delivery arrastracted Delivery See Reverse for Instructions PS Form 3800, April 2015 PSN 7530-02-000-9047

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 mallplece, or on the front if space permits. Article Addressed to: COG Operating LLC 600 West Illinois Avenue Midland, Texas 79701	A Signature A Signature A Signature B. Received by (Printed Name) C. Date of Delivery C.	U.S. Postal Service CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com®. Certified Mail Fee S. Extra Services & Fees (check box, add fee as eppropriate) Return Receipt (nardcopy) Return Receipt (nardcopy) Adult Signature Required Adult Signature Restricted Delivery \$ Postage S. Total Postage and Fees
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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 mailplece, or on the front if space permits. Article Addressed to: 	B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address	
Murchison Oil & Gas, Inc. Suite 1400 7250 Dallas Parkway Plano, Texas 75024	-	
The second of th	3. Service Type Cl Adult Signature Cl Adult Signature Restricted Delivery Adult Signature Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricts Delivery
JJ9U 34U2 2/U3 6351 //4U b/	☐ Collect on Delivery	☐ Return Receipt for Merchandise ☐ Signature Confirmation ¹¹
2. Art 7016 2070 0000 2473	10 Collect on Delivery Restricted Delivery 2737 total Delivery	Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	M-Q	Domestic Return Recei

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 mailplece,	A. Signature X
or on the front if space permits. 1. Article Addressed to:	D. ts delivery address different from item 1?
Matador Production Company Suite 1500 5400 LBJ Freeway Dallas, Texas 75240	
9590 9402 2703 6351 7740 74	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery
2 A 7016 2070 0000 2473	☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation™
PS Form 3811, July 2015 PSN 7530-02-000-9053	N - O Domestic Return Receipt

51	U.S. Postal Service™ CERTIFIED MAIL® RE© Domestic Mail Only	(C).
27	For delivery information, visit our website	
m	OFFICIAL	USE
242	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate)	
	Return Receipt (hardcopy) \$	Postmark
0000	Certifled Mail Restricted Delivery \$	Here
	Adult Signature Required \$	
2	Postage	
2070	\$ Total Postage and Fees	
{		
7076	Sent To Black Mountain Ope Suite 1200	rating LLC
	TALLER WALLES NO TO BE BOT SOO Main Street	
1	Fort Worth, Texas 76	102
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instruction

	U.S. Postal Se CERTIFIED	rvice™ MAIL® REC∑	PIO						
급	Domestic Mail Only	9							
٠ أ	For delivery information	n, visit our website at	www.usps.com®.						
ם ח	OFF	CIAL	USE						
ا ک	Certified Mail Fee								
ָרֵי עו	\$								
٦	Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$								
ןׄכ	Return Receipt (electronic) \$ Postmark								
חחח	Certified Mail Restricted Delivery \$ Here								
۱ ۲	Adult Signature Required	\$							
ן "	Adult Signature Restricted Deli	very \$							
בחכם	Postage								
_	\$								
ដ	Total Postage and Fees	Matador Production (Company						
	s	Suite 1500							
Ō	Sent To	5400 LBJ Freeway							
ロボロン	Street and Apt. No., or PO Business. Texas 75240								
	City, State, ZIP+4*								

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: Black Mountain Operating LLC Suite 1200 500 Main Street Fort Worth, Texas 76102	A. Signalate X B. Received by (Printed Name) D. Is delivery address different for if YES, enter delivery address	Agent Addresse C. Date of Deliver C. Date of Delive
9590 9402 2703 page 1,	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery if Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery 7 5 1. testricted Delivery	☐ Priority Mall Express®☐ Registered Mail™☐ Registered Mail™☐ Registered Mail Restrict Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation ☐ Signature Confirmation Restricted Delivery

USPS Tracking® Results

FAQs > (http://faq.usps.com/?articleId=220900)

Track Another Package +

Remove X

Tracking Number: 70162070000024732768

•

In-Transit

Product & Tracking Information

See Available Actions

Postal Product:

Features: Certified Mail[™]

DATE & TIME

STATUS OF ITEM

LOCATION

April 21, 2017, 6:55 pm

In Transit to Destination

The item is currently in transit to the destination as of April 21, 2017 at 6:55 pm.

April 20, 2017, 6:55 pm

Departed USPS Facility

MIDLAND, TX 79711

April 20, 2017, 2:18 pm

Arrived at USPS Facility

MIDLAND, TX 79711

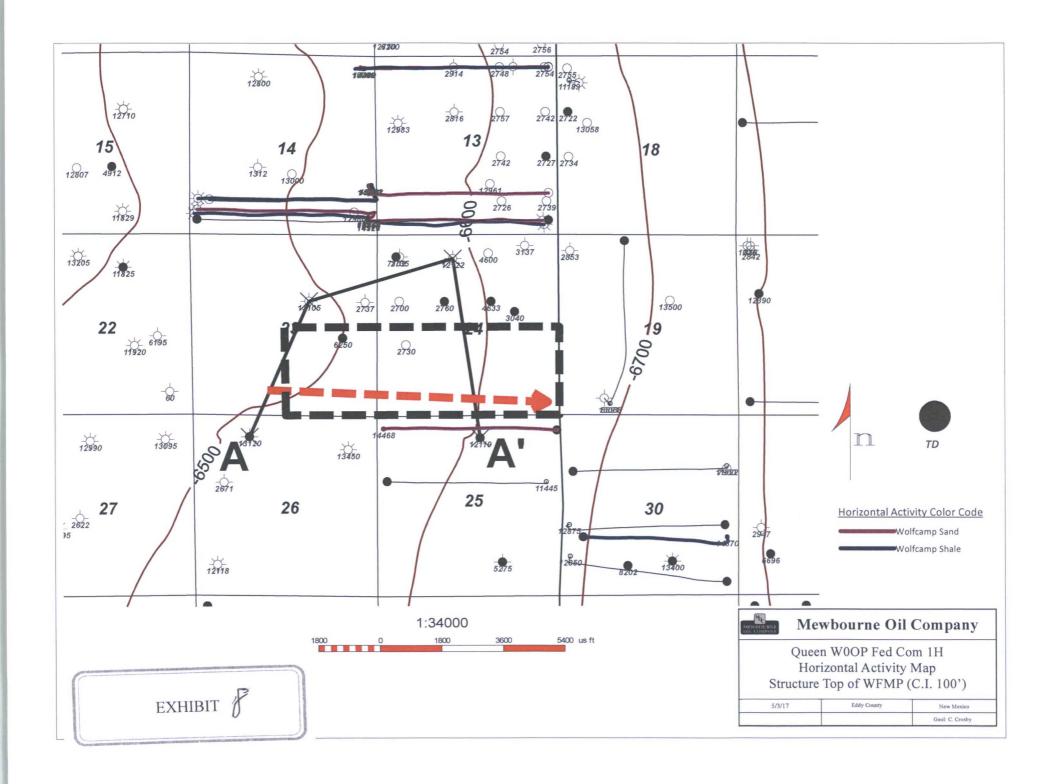
April 20, 2017, 4:07 am

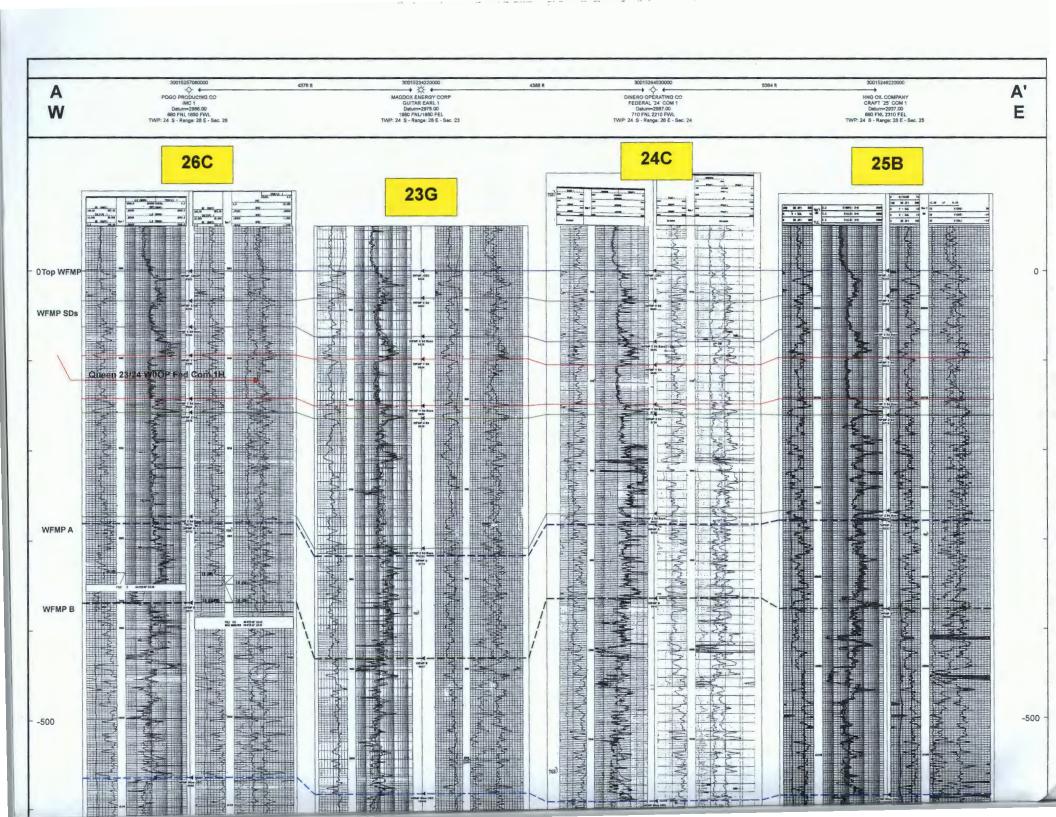
In Transit to Destination

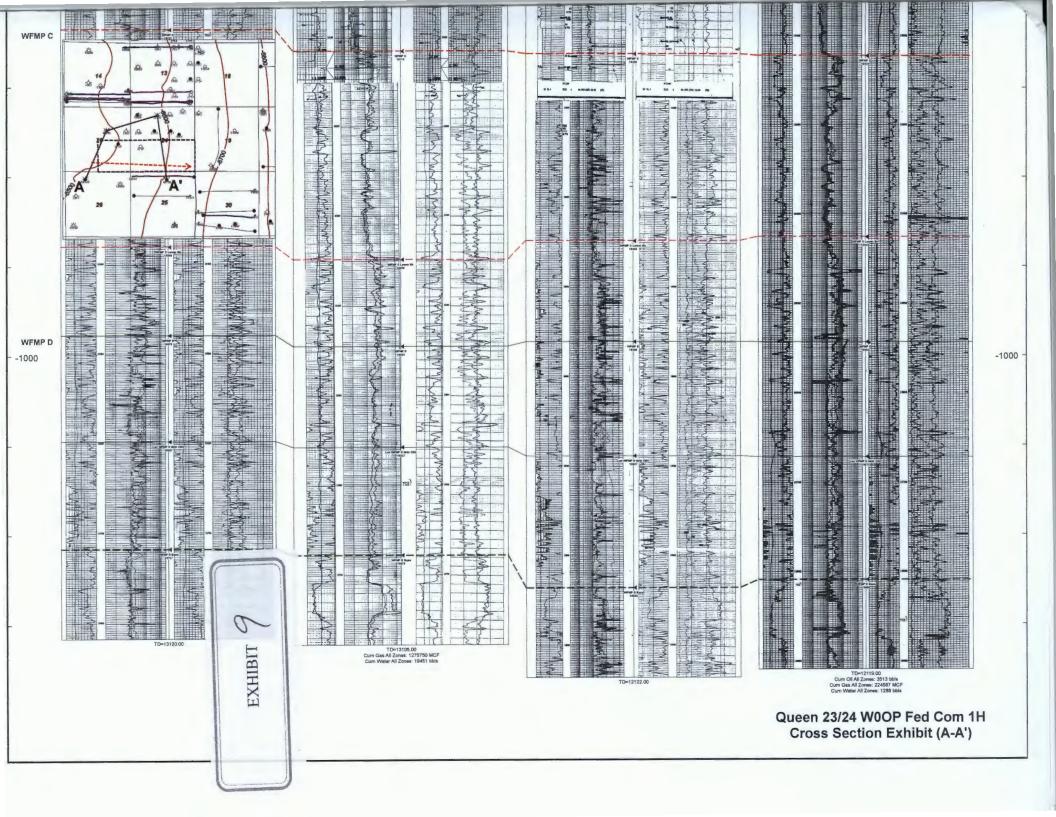
See More 🗸

Available Actions

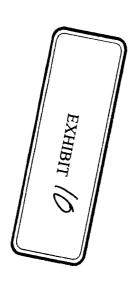








Queen 23/24 Horizontal Wolfcamp Productin Table										
Well Name	Operator	API	Location	WFMP Comp Date	Cum Oil (Mbo)	Cum Gas (BCF)	Cum Water (mbw)	NS/EW	WFMP Zone	
Malaga 30 Federal Com 1H	Mewbourne	3001540287	301L/24S/29E	10/11/2012	47	0.4	92	EW	WFMP D Shale	
Tiger 14 24S 28E RB 224H	Matador	3001542873	14PM/24S/28E	4/4/2015	131	0.4	363	EW	WFMP C Shale	
Paul 25 24S 28E RB 221H	Matador	3001543018	25DA/24S/28E	5/17/2016	182	0.4	532	EW	WFMP Sand	
Conner Janie 13 24S 28E 224H	Matador	3001543037	13MP/24S/28E	11/22/2015	139	0.7	359	EW	WFMP D Shale	
Tiger 14 24S 28E RB 204H	Matador	3001543087	14PM/24S/28E	7/8/2015	238	0.5	637	EW	WFMP Sand	
Janie Conner 13 24S 28E 204H	Matador	3001543317	13MP/24S/28E	5/24/2016	163	0.3	482	EW	WFMP Sand	
Janie Conner 13 24S 28E 201H	Matador	3001543463	13DA/24S/28E	8/18/2016	104	0.2	341	EW	WFMP Sand	
Tiger 14 24S 28E RB 227H	Matador	3001543505	14IL/24S/28E	5/31/2016	57	0.7	245	EW	WFMP D Shale	
Janie Conner 13 24S 28E 207H	Matador	3001543615	14LI/24S/28E	5/31/2016	127	0.3	373	EW	WFMP Sand	
Janie Conner 13 24S 28E 221H	Matador	3001543756	13DA/24S/28E	8/19/2016	100	1.04	259	EW	WFMP D Shale	



Mewbourne Oil Company

Eddy County, New Mexico Queen 23/24 W0OP Fed Com #1H

Sec 23, T24S, R28E

SL: 750' FSL & 2175' FEL, Sec 23 BHL: 450' FSL & 330' FEL, Sec 24

Plan: Design #1

Standard Planning Report

06 April, 2017



Database: Company: Project:

Hobbs

Mewbourne Oil Company

Eddy County, New Mexico Queen 23/24 W0OP Fed Com #1H

Site: Well: Sec 23, T24S, R28E

Wellbore: BHL: 450' FSL & 330' FEL, Sec 24

Design:

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W0OP Fed Com #1H

KB @ 2974.0usft KB @ 2974.0usft

Grid

Minimum Curvature

Project

Eddy County, New Mexico

Map System: Geo Datum:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

Map Zone:

System Datum:

Mean Sea Level

Site

Well

New Mexico East 3001

Queen 23/24 W0OP Fed Com #1H

Site Position: From: Position Uncertainty:

Мар

Northing: Easting: Slot Radius: 435,819.00 usft 584,775.00 usft 13-3/16 "

Latitude: Longitude: Grid Convergence:

32° 11' 52.391 N 104° 3' 33.376 W

0.15°

Sec 23, T24S, R28E

+N/-S

0.0 usft +E/-W 0.0 usft

0.0 usft

Northing: Easting:

435,819.00 usft 584,775.00 usft Latitude: Longitude:

32° 11' 52.391 N 104° 3' 33.376 W

Position Uncertainty

Well Position

0.0 usft

Wellhead Elevation:

2,982.0 usft

Ground Level:

2,955.0 usft

Wellbore

BHL: 450' FSL & 330' FEL, Sec 24

Declination Field Strength Magnetics **Model Name** Sample Date Dip Angle (°) (nT) (°) IGRF2010 11/21/2016 7.14 59.95 48,009

Design Design #1 Audit Notes: **PROTOTYPE** 0.0 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +E/-W +N/-S Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 92.39

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
9,139.5	0.00	0.00	9,139.5	0.0	0.0	0.00	0.00	0.00	0.00	KOP @ 9140'
9,898.2	91.04	115.89	9,616.9	-212.2	437.3	12.00	12.00	0.00	115.89	
10,329.5	88.94	90.26	9,617.0	-309.0	854.0	5.96	-0.49	-5.94	-94.60	LP/FTP: 450' FSL
17,701.9	88.94	90.26	9,753.0	-343.0	8,225.0	0.00	0.00	0.00	0.00	BHL: 450' FSL & 3

Database:

Hobbs

Company: Project: Site:

Mewbourne Oil Company Eddy County, New Mexico Queen 23/24 W0OP Fed Com #1H

Well: Sec 23, T24S, R28E BHL: 450' FSL & 330' FEL, Sec 24

Wellbore:

Design #1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W0OP Fed Com #1H

KB @ 2974.0usft KB @ 2974.0usft

Grid

Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL: 750' FSL	. & 2175' FWL, S	ec 23							
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00

Database: Company: Project:

Site:

Well:

Hobbs

Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W0OP Fed Com #1H

Sec 23, T24S, R28E

Wellbore: BHL: 450' FSL & 330' FEL, Sec 24

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W0OP Fed Com #1H

KB @ 2974.0usft

KB @ 2974.0usft Grid

ed Survey									
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0 5,400.0	0.00 0.00	0.00	5,300.0 5,400.0	0.0	0.0 0.0	0.0	0.00 0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0 5,900.0	0.00	0.00	5,800.0 5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0 6,900.0	0.00	0.00	6,800.0 6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0 8,400.0	0.00	0.00 0.00	8,300.0 8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0 9,139.5	0.00	0.00	9,100.0 9,139.5	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 9140'		0.00	9,109.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	7.26	115.89	9,199.8	-1.7	3.4	3.5	12.00	12.00	0.00
9,300.0	19.26	115.89	9,297.0	-11.7	24.0	24.5	12.00	12.00	0.00
9,400.0	31.26	115.89	9,387.3	-30.3	62.3	63.6	12.00	12.00	0.00
9,500.0	43.26	115.89	9,466.7	-56.6	116.7	119.0	12.00	12.00	0.00
9,600.0	55.26	115.89	9,531.9	-89.7	184.7	188.3	12.00	12.00	0.00
9,700.0	67.26	115.89	9,579.9	-127.9	263.5	268.6	12.00	12.00	0.00
9,800.0	79.26	115.89	9,608.6	-169.6	349.5	356.2	12.00	12.00	0.00
9,898.2	91.04	115.89	9,616.9	-212.2	437.3	445.8	12.00	12.00	0.00
9,900.0	91.03	115.78	9,616.9	-213.0	439.0	447.5	5.96	-0.48	-5.94
10,000.0	90.55	109.84	9,615.5	-251.8	531.1	541.1	5.96	-0.48 -0.49	-5.94 -5.94
10,100.0 10,200.0	90.06 89.57	103.90 97.96	9,615.0 9,615.3	-280.8 -299.7	626.8 724.9	637.9 736.8	5.96 5.96	-0.49	-5.94

Database:

Hobbs

Company: Mewbourne Oil Company
Project: Eddy County, New Mexico
Site: Queen 23/24 W0OP Fed Com #1H

Well: Sec 23, T24S, R28E

Wellbore: BHL: 450' FSL & 330' FEL, Sec 24

Design:

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Queen 23/24 W0OP Fed Com #1H

KB @ 2974.0usft KB @ 2974.0usft

Grid

gn:	Design #1						EE LEGIS		
nned Survey	The state of	TO ALL PARTY							
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,300.		92.02	9,616.5	-308.4	824.5	836.6	5.96	-0.48	-5.94
10,329.		90.26	9,617.0	-309.0	854.0	866.1	5.96	-0.48	-5.94
LP/FTP: 4	50' FSL & 2350' FE	EL, Sec 23							
10,400.	0 88.94	90.26	9,618.3	-309.3	924.4	936.5	0.00	0.00	0.00
10,500.	0 88.94	90.26	9,620.1	-309.8	1,024.4	1,036.4	0.00	0.00	0.00
10,600.	0 88.94	90.26	9,622.0	-310.2	1,124.4	1,136.4	0.00	0.00	0.00
10,700.	0 88.94	90.26	9,623.8	-310.7	1,224.4	1,236.3	0.00	0.00	0.00
10,800.		90.26	9,625.7	-311.2	1,324.4	1,336.2	0.00	0.00	0.00
10,900.		90.26	9,627.5	-311.6	1,424.3	1,436.1	0.00	0.00	0.00
11,000.		90.26	9,629.4	-312.1	1,524.3	1,536.0	0.00	0.00	0.00
11,100.		90.26	9,631.2	-312.6	1,624.3	1,635.9	0.00	0.00	0.00
11,200.		90.26	9,633.1	-313.0	1,724.3	1,735.8	0.00	0.00	0.00
11,300.		90.26	9,634.9	-313.5	1,824.3	1,835.8	0.00	0.00	0.00
11,400.0		90.26	9,636.7	-313.9	1,924.3	1,935.7	0.00	0.00	0.00
11,500.		90.26	9,638.6	-314.4	2,024.2	2,035.6	0.00	0.00	0.00
11,600.	0 88.94	90.26	9,640.4	-314.9	2,124.2	2,135.5	0.00	0.00	0.00
11,700.0	0 88.94	90.26	9,642.3	-315.3	2,224.2	2,235.4	0.00	0.00	0.00
11,800.0		90.26	9,644.1	-315.8	2,324.2	2,335.3	0.00	0.00	0.00
11,900.0		90.26	9.646.0	-316.2	2,424.2	2,435.2	0.00	0.00	0.00
12,000.0		90.26	9,647.8	-316.7	2,524.1	2,535.2	0.00	0.00	0.00
12,100.0		90.26	9,649.7	-317.2	2,624.1	2,635.1	0.00	0.00	0.00
12 200	00.04	00.00	0.054.5	247.0			0.00	0.00	0.00
12,200.0		90.26	9,651.5	-317.6	2,724.1	2,735.0	0.00	0.00	0.00
12,300.0		90.26	9,653.3	-318.1	2,824.1	2,834.9	0.00	0.00	0.00
12,400.0 12,500.0		90.26 90.26	9,655.2 9,657.0	-318.5 -319.0	2,924.1 3,024.1	2,934.8 3,034.7	0.00	0.00	0.00
12,600.0		90.26	9,658.9	-319.5	3,124.0	3,134.6	0.00	0.00	0.00
					3,124.0	3,134.0	0.00	0.00	0.00
12,700.0		90.26	9,660.7	-319.9	3,224.0	3,234.6	0.00	0.00	0.00
12,800.0		90.26	9,662.6	-320.4	3,324.0	3,334.5	0.00	0.00	0.00
12,900.0		90.26	9,664.4	-320.9	3,424.0	3,434.4	0.00	0.00	0.00
13,000.0		90.26	9,666.3	-321.3	3,524.0	3,534.3	0.00	0.00	0.00
13,100.0	0 88.94	90.26	9,668.1	-321.8	3,623.9	3,634.2	0.00	0.00	0.00
13,200.0	88.94	90.26	9,670.0	-322.2	3,723.9	3,734.1	0.00	0.00	0.00
13,300.0		90.26	9,671.8	-322.7	3,823.9	3,834.0	0.00	0.00	0.00
13,400.0		90.26	9,673.6	-323.2	3,923.9	3,934.0	0.00	0.00	0.00
13,500.0		90.26	9,675.5	-323.6	4,023.9	4,033.9	0.00	0.00	0.00
13,600.0		90.26	9,677.3	-324.1	4,123.9	4,133.8	0.00	0.00	0.00
13,700.0	88.94	90.26	9,679.2	-324.5	4 222 0	1 222 7	0.00	0.00	0.00
13,700.0		90.26	9,681.0	-324.5	4,223.8 4,323.8	4,233.7 4,333.6	0.00	0.00	0.00
13,900.0		90.26	9,682.9	-325.0	4,323.8	4,333.5	0.00	0.00	0.00
14,000.0		90.26	9,684.7	-325.5	4,423.8	4,433.5	0.00	0.00	0.00
14,100.0		90.26	9,686.6	-326.4	4,623.8	4,633.4	0.00	0.00	0.00
14,200.0		90.26	9,688.4	-326.8	4,723.8	4,733.3	0.00	0.00	0.00
14,300.0		90.26	9,690.2	-327.3	4,823.7	4,833.2	0.00	0.00	0.00
14,400.0		90.26	9,692.1	-327.8	4,923.7	4,933.1	0.00	0.00	0.00
14,500.0		90.26	9,693.9	-328.2	5,023.7	5,033.0	0.00	0.00	0.00
14,600.0	88.94	90.26	9,695.8	-328.7	5,123.7	5,132.9	0.00	0.00	0.00
14,700.0	88.94	90.26	9,697.6	-329.2	5,223.7	5,232.8	0.00	0.00	0.00
14,800.0		90.26	9,699.5	-329.6	5,323.6	5,332.8	0.00	0.00	0.00
14,900.0		90.26	9,701.3	-330.1	5,423.6	5,432.7	0.00	0.00	0.00
15,000.0		90.26	9,703.2	-330.1	5,523.6	5,532.6	0.00	0.00	0.00
15,100.0		90.26	9,705.0	-331.0	5,623.6	5,632.5	0.00	0.00	0.00
15,200.0		90.26	9,706.8	-331.5	5,723.6	5,732.4	0.00	0.00	0.00
15,300.0		90.26	9,708.7	-331.9	5,823.6	5,832.3	0.00	0.00	0.00
15,400.0	88.94	90.26	9,710.5	-332.4	5,923.5	5,932.2	0.00	0.00	0.00

Database: Company: Project:

Hobbs

Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W0OP Fed Com #1H

Site: Well: Sec 23, T24S, R28E

Wellbore: BHL: 450' FSL & 330' FEL, Sec 24

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

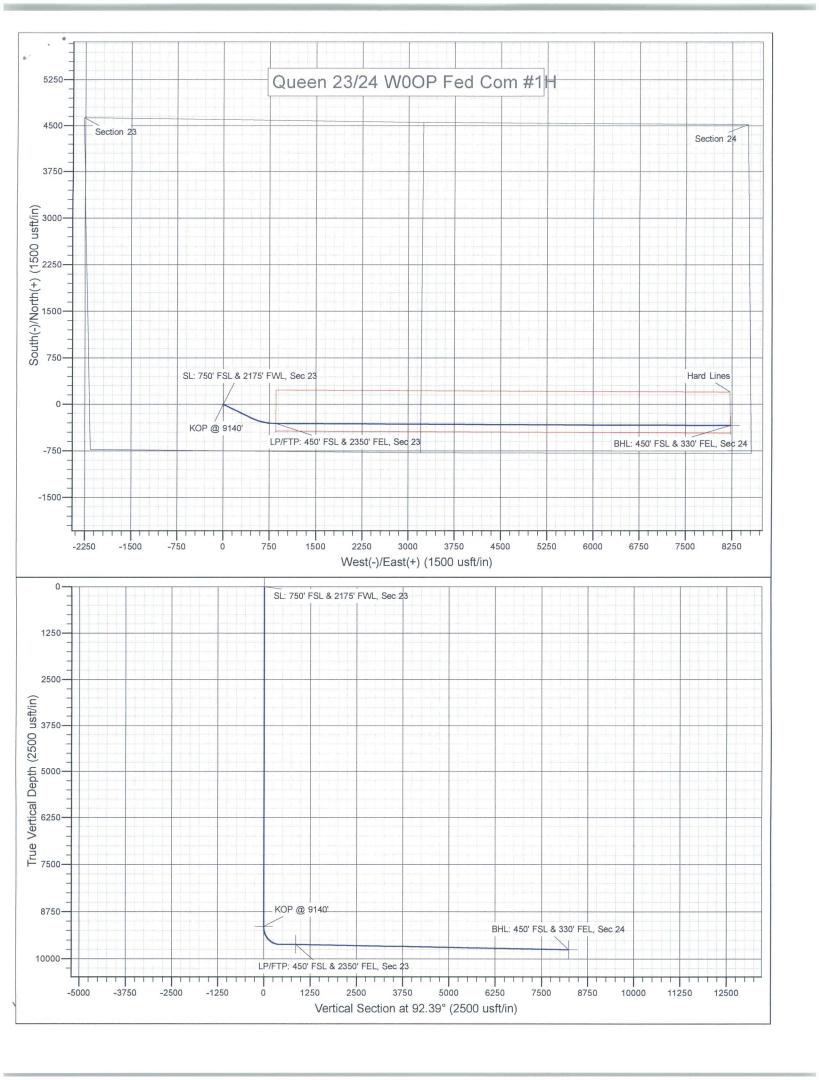
North Reference: Survey Calculation Method: Site Queen 23/24 W0OP Fed Com #1H

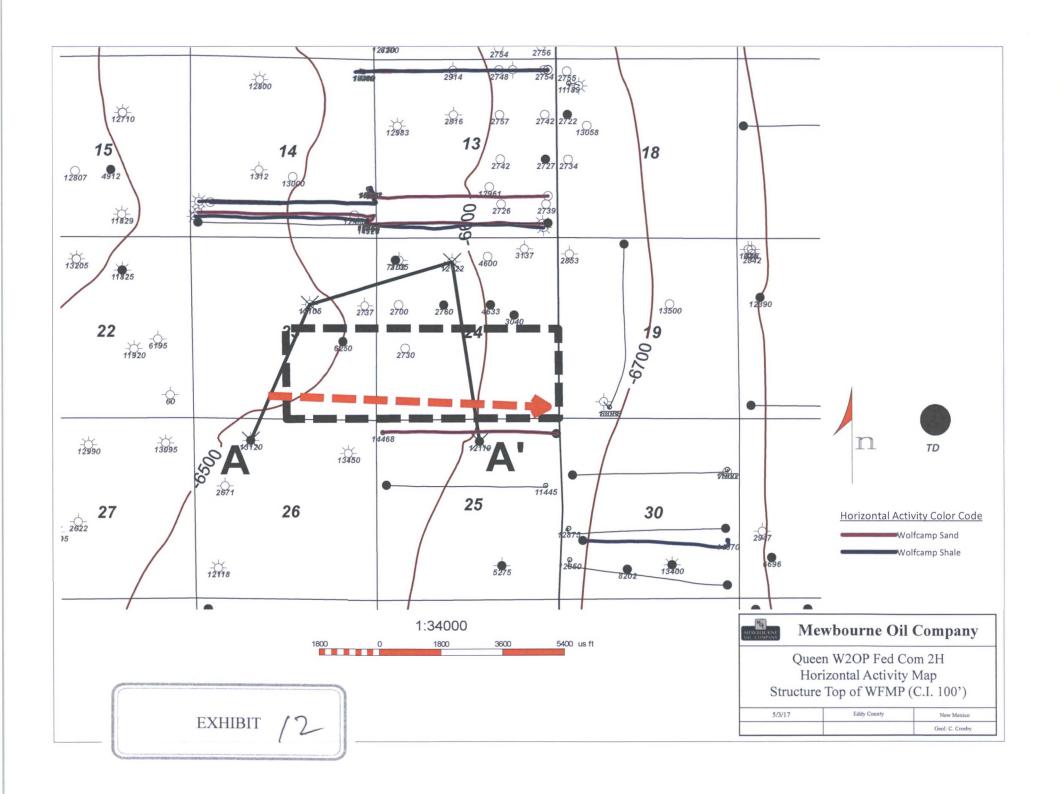
KB @ 2974.0usft KB @ 2974.0usft

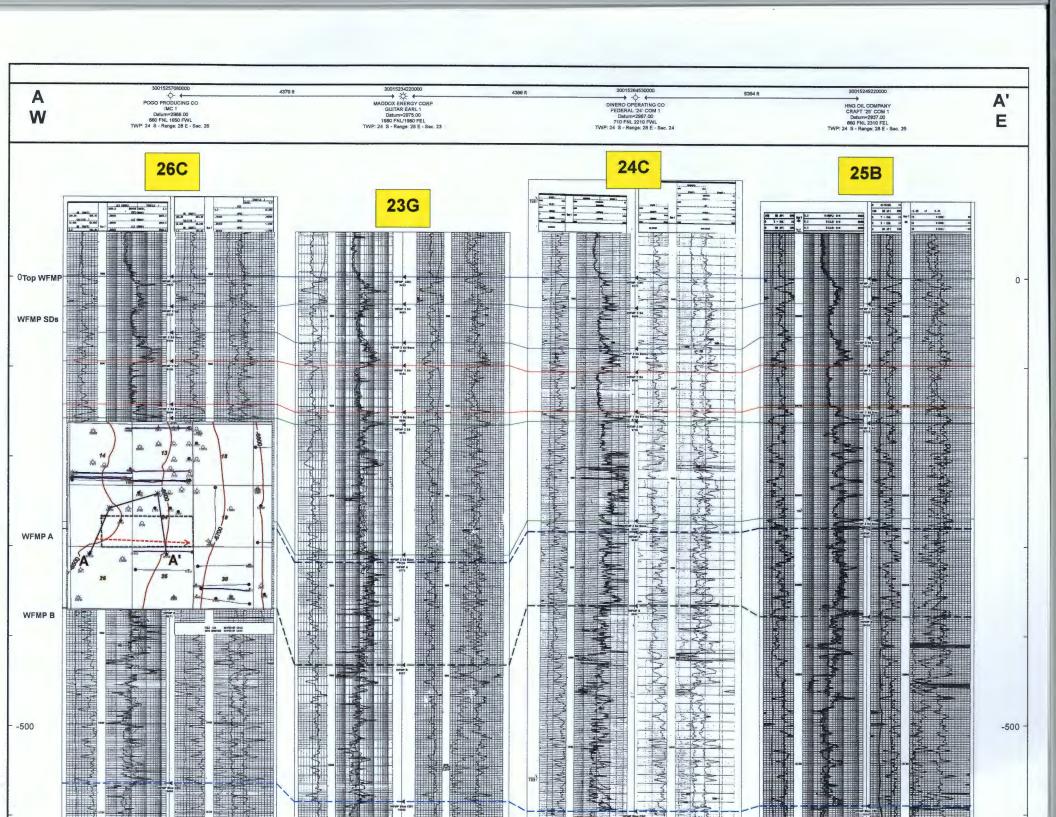
Grid

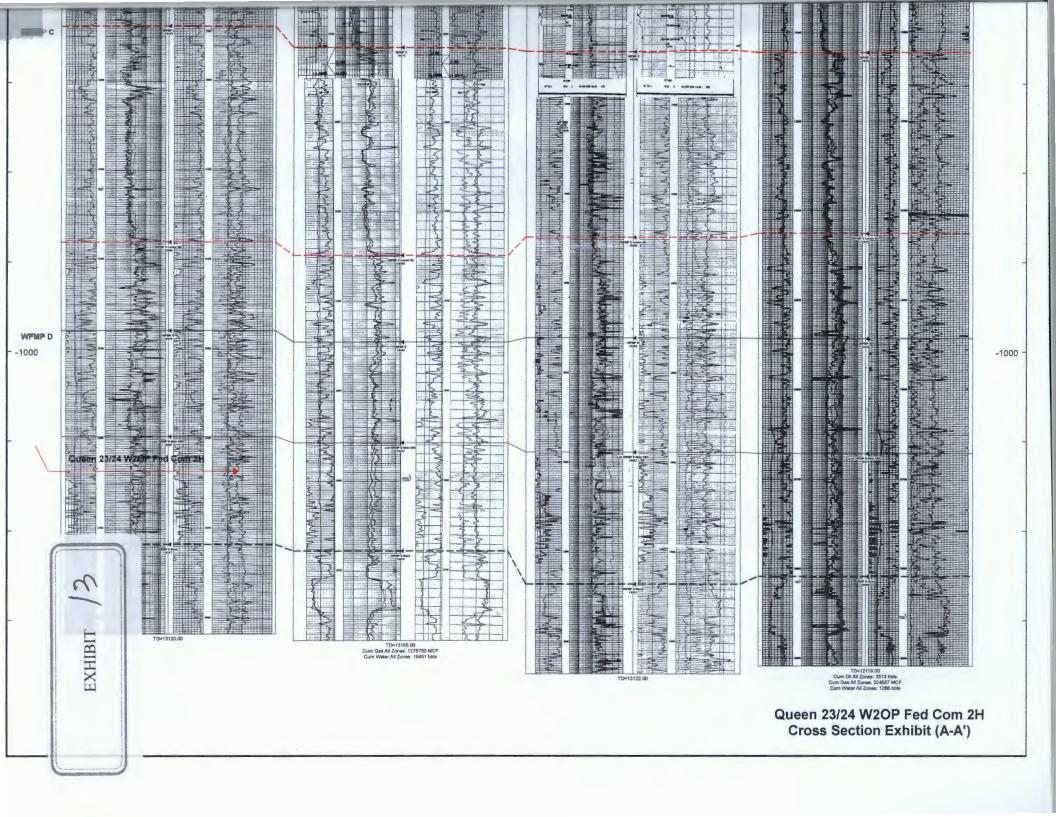
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,500.0	88.94	90.26	9,712.4	-332.8	6,023.5	6,032.2	0.00	0.00	0.00
15,600.0	88.94	90.26	9,714.2	-333.3	6,123.5	6,132.1	0.00	0.00	0.00
15,700.0	88.94	90.26	9,716.1	-333.8	6,223.5	6,232.0	0.00	0.00	0.00
15,800.0	88.94	90.26	9,717.9	-334.2	6,323.5	6,331.9	0.00	0.00	0.00
15,900.0	88.94	90.26	9,719.8	-334.7	6,423.4	6,431.8	0.00	0.00	0.00
16,000.0	88.94	90.26	9,721.6	-335.2	6,523.4	6,531.7	0.00	0.00	0.00
16,100.0	88.94	90.26	9,723.4	-335.6	6,623.4	6,631.6	0.00	0.00	0.00
16,200.0	88.94	90.26	9,725.3	-336.1	6,723.4	6,731.6	0.00	0.00	0.00
16,300.0	88.94	90.26	9,727.1	-336.5	6,823.4	6,831.5	0.00	0.00	0.00
16,400.0	88.94	90.26	9,729.0	-337.0	6,923.4	6,931.4	0.00	0.00	0.00
16,500.0	88.94	90.26	9,730.8	-337.5	7,023.3	7,031.3	0.00	0.00	0.00
16,600.0	88.94	90.26	9,732.7	-337.9	7,123.3	7,131.2	0.00	0.00	0.00
16,700.0	88.94	90.26	9,734.5	-338.4	7,223.3	7,231.1	0.00	0.00	0.00
16,800.0	88.94	90.26	9,736.4	-338.8	7,323.3	7,331.0	0.00	0.00	0.00
16,900.0	88.94	90.26	9,738.2	-339.3	7,423.3	7,431.0	0.00	0.00	0.00
17,000.0	88.94	90.26	9,740.1	-339.8	7,523.2	7,530.9	0.00	0.00	0.00
17,100.0	88.94	90.26	9,741.9	-340.2	7,623.2	7,630.8	0.00	0.00	0.00
17,200.0	88.94	90.26	9,743.7	-340.7	7,723.2	7,730.7	0.00	0.00	0.00
17,300.0	88.94	90.26	9,745.6	-341.1	7,823.2	7,830.6	0.00	0.00	0.00
17,400.0	88.94	90.26	9,747.4	-341.6	7,923.2	7,930.5	0.00	0.00	0.00
17,500.0	88.94	90.26	9,749.3	-342.1	8,023.2	8,030.4	0.00	0.00	0.00
17,600.0	88.94	90.26	9,751.1	-342.5	8,123.1	8,130.4	0.00	0.00	0.00
17,700.0	88.94	90.26	9,753.0	-343.0	8,223.1	8,230.3	0.00	0.00	0.00
17,701.9	88.94	90.26	9,753.0	-343.0	8,225.0	8,232.1	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SL: 750' FSL & 2175' FV - plan hits target cent - Point	0.00 er	0.00	0.0	0.0	0.0	435,819.00	584,775.00	32° 11' 52.391 N	104° 3' 33.376 W
KOP @ 9140' - plan hits target cent - Point	0.00 er	0.00	9,139.5	0.0	0.0	435,819.00	584,775.00	32° 11' 52.391 N	104° 3' 33.376 W
LP/FTP: 450' FSL & 235 - plan hits target cent - Point	0.00 er	0.00	9,617.0	-309.0	854.0	435,510.00	585,629.00	32° 11' 49.312 N	104° 3' 23.446 W
BHL: 450' FSL & 330' FE - plan hits target cent - Point	0.00 er	0.00	9,753.0	-343.0	8,225.0	435,476.00	593,000.00	32° 11' 48.780 N	104° 1' 57.665 W









Queen 23/24 Horizontal Wolfcamp Productin Table												
Well Name	Operator	API	Location	WFMP Comp Date	Cum Oil (Mbo)	Cum Gas (BCF)	Cum Water (mbw)	NS/EW	WFMP Zone			
Malaga 30 Federal Com 1H	Mewbourne	3001540287	30IL/24S/29E	10/11/2012	47	0.4	92	EW	WFMP D Shale			
Figer 14 24S 28E RB 224H	Matador	3001542873	14PM/24S/28E	4/4/2015	131	0.4	363	EW	WFMP C Shale			
Paul 25 24S 28E RB 221H	Matador	3001543018	25DA/24S/28E	5/17/2016	182	0.4	532	EW	WFMP Sand			
Conner Janie 13 24S 28E 224H	Matador	3001543037	13MP/24S/28E	11/22/2015	139	0.7	359	EW	WFMP D Shale			
iger 14 24S 28E RB 204H	Matador	3001543087	14PM/24S/28E	7/8/2015	238	0.5	637	EW	WFMP Sand			
anie Conner 13 24S 28E 204H	Matador	3001543317	13MP/24S/28E	5/24/2016	163	0.3	482	EW	WFMP Sand			
anie Conner 13 24S 28E 201H	Matador	3001543463	13DA/24S/28E	8/18/2016	104	0.2	341	EW	WFMP Sand			
iger 14 24S 28E RB 227H	Matador	3001543505	14IL/24S/28E	5/31/2016	57	0.7	245	EW	WFMP D Shale			
anie Conner 13 24S 28E 207H	Matador	3001543615	14LI/24S/28E	5/31/2016	127	0.3	373	EW	WFMP Sand			
anie Conner 13 24S 28E 221H	Matador	3001543756	13DA/24S/28E	8/19/2016	100	1.04	259	EW	WFMP D Shale			



Mewbourne Oil Company

Eddy County, New Mexico Queen 23/24 W2OP Fed Com #2H Sec 23, T24S, R28E

SL: 690' FSL & 2175' FWL, Sec 23 BHL: 330' FSL & 330' FEL, Sec 24

Plan: Design #1

Standard Planning Report

06 April, 2017



Database:

Hobbs Company: Mewbourne Oil Company Eddy County, New Mexico Project: Site: Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

Minimum Curvature

Project Eddy County, New Mexico

Map System:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

Geo Datum: New Mexico East 3001 Map Zone:

System Datum:

Mean Sea Level

Site Queen 23/24 W2OP Fed Com #2H

Site Position:

Мар

Northing:

435,759.00 usft

Latitude:

32° 11' 51.798 N Longitude:

From: **Position Uncertainty:**

Easting: Slot Radius: 0.0 usft

584,776.00 usft 13-3/16 "

Grid Convergence:

104° 3' 33.366 W

0.15°

Well Sec 23, T24S, R28E

Well Position +N/-S

+E/-W

0.0 usft 0.0 usft Northing:

435,759.00 usft 584,776.00 usft Latitude:

32° 11' 51.798 N

Position Uncertainty

0.0 usft

Easting:

Wellhead Elevation:

2,982.0 usft

Longitude: Ground Level: 104° 3' 33.366 W

2,955.0 usft

Wellbore BHL: 330' FSL & 330' FEL, Sec 24

Declination Field Strength Magnetics **Model Name** Sample Date Dip Angle (°) (°) (nT) IGRF200510 12/31/2009 7.97 60.13 48,725

Design Design #1 **Audit Notes:**

Version:

Phase:

Vertical Section:

PROTOTYPE

Tie On Depth:

0.0

Depth From (TVD) (usft)

0.0

+N/-S (usft) 0.0

+E/-W (usft) 0.0

Direction (°) 92.81

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	New Control of the Control of the Control
10,059.0	0.00	0.00	10,059.0	0.0	0.0	0.00	0.00	0.00	0.00	KOP @ 10059'
10,971.9	91.28	118.71	10,631.9	-281.4	513.8	10.00	10.00	0.00	118.71	
11,325.9	88.67	90.26	10,632.0	-369.0	853.0	8.07	-0.74	-8.03	-95.14	LP/FTP: 330' FSL 8
18,699.9	88.67	90.26	10,803.0	-403.0	8,225.0	0.00	0.00	0.00	0.00	BHL: 330' FSL & 33

Database: Company: Project:

Site:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

ign:	Design #1								
nned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL: 690' FS	L & 2175' FWL, S	ec 23							
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2.000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
						2.0	0.00		
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0 3,200.0	0.00	0.00	3,100.0 3,200.0	0.0	0.0	0.0	0.00	0.00	0.00 0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00

Database: Company: Project:

Site:

Hobbs

Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H Sec 23, T24S, R28E

Well: Wellbore:

BHL: 330' FSL & 330' FEL, Sec 24

Design #1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev)

WELL @ 2982.0usft (Original Well Elev) Grid

Minimum Curvature

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0 8,900.0	0.00	0.00	8,800.0 8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0		0.00	9,400.0	0.0				0.00	0.00
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00
9,900.0	0.00	0.00	9,900.0	0.0	0.0	0.0	0.00	0.00	0.00
10,000.0	0.00	0.00	10,000.0	0.0	0.0	0.0	0.00	0.00	0.00
10,059.0	0.00	0.00	10,059.0	0.0	0.0	0.0	0.00	0.00	0.00

10,059.0 KOP @ 10059' 10,100.0

10,300.0

4.10

14.10

24.10

118.71

118.71

118.71

10,100.0 10,198.6

10,293.0

-0.7

-8.3

-24.0

1.3

15.1

43.8

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10.00

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15.5

44.9

10.00

10.00

10.00

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0.00

0.00

Database:

Well:

Hobbs

Mewbourne Oil Company Company: Eddy County, New Mexico Queen 23/24 W2OP Fed Com #2H Project: Site:

Sec 23, T24S, R28E

BHL: 330' FSL & 330' FEL, Sec 24 Wellbore:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

sign:	Design #1								
anned Survey	BREE		al and a second		11 S 24 S 25 S				
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,400.0	34.10	118.71	10,380.2	-47.3	86.4	88.6	10.00	10.00	0.00
									0.00
10,500.0	44.10	118.71	10,457.7	-77.6	141.6	145.3	10.00	10.00	
10,600.0	54.10	118.71	10,523.1	-113.8	207.8	213.2	10.00	10.00	0.00
10,700.0	64.10	118.71	10,574.4	-155.0	283.0	290.2	10.00	10.00	0.00
10,800.0	74.10	118.71	10,610.1	-199.8	364.8	374.2	10.00	10.00	0.00
10,900.0	84.10	118.71	10,629.0	-246.9	450.8	462.4	10.00	10.00	0.00
10,971.9	91.28	118.71	10,631.9	-281.4	513.8	526.9	10.00	10.00	0.00
11,000.0	91.08	116.45	10,631.3	-294.4	538.7	552.5	8.07	-0.73	-8.04
11,100.0	90.34	108.41	10,630.0	-332.5	631.1	646.6	8.07	-0.74	-8.03
11,200.0	89.60	100.38	10,630.1	-357.3	727.8	744.5	8.07	-0.74	-8.03
		00.04					8.07	-0.74	-8.03
11,300.0 11,325.9	88.86 88.67	92.34 90.26	10,631.4 10,632.0	-368.4 -369.0	827.1 853.0	844.2 870.0	8.07	-0.72	-8.04
The state of the s			10,032.0	-309.0	033.0	070.0	0.07	-0.72	-0.04
	FSL & 2350' FE	William Control of the Party of	10.000.7	200.0	007.4	044.4	0.00	0.00	0.00
11,400.0	88.67	90.26	10,633.7	-369.3	927.1	944.1	0.00	0.00	0.00
11,500.0	88.67	90.26	10,636.0	-369.8	1,027.1	1,043.9	0.00	0.00	0.00
11,600.0	88.67	90.26	10,638.4	-370.3	1,127.1	1,143.8	0.00	0.00	0.00
11,700.0	88.67	90.26	10,640.7	-370.7	1,227.0	1,243.7	0.00	0.00	0.00
11,800.0	88.67	90.26	10,643.0	-371.2	1,327.0	1,343.6	0.00	0.00	0.00
11,900.0	88.67	90.26	10,645.3	-371.6	1,427.0	1,443.4	0.00	0.00	0.00
12,000.0	88.67	90.26	10,647.6	-372.1	1,526.9	1,543.3	0.00	0.00	0.00
12,100.0	88.67	90.26	10,650.0	-372.6	1,626.9	1,643.2	0.00	0.00	0.00
12 200 0	99.67	00.26	10.652.3	272.0	1 726 0	1 742 1	0.00	0.00	0.00
12,200.0	88.67	90.26	10,652.3	-373.0	1,726.9	1,743.1			
12,300.0	88.67	90.26	10,654.6	-373.5	1,826.9	1,842.9	0.00	0.00	0.00
12,400.0	88.67	90.26	10,656.9	-374.0	1,926.8	1,942.8	0.00	0.00	0.00
12,500.0	88.67	90.26	10,659.2	-374.4	2,026.8	2,042.7	0.00	0.00	0.00
12,600.0	88.67	90.26	10,661.5	-374.9	2,126.8	2,142.6	0.00	0.00	0.00
12,700.0	88.67	90.26	10,663.9	-375.3	2,226.7	2,242.4	0.00	0.00	0.00
12,800.0	88.67	90.26	10,666.2	-375.8	2,326.7	2,342.3	0.00	0.00	0.00
12,900.0	88.67	90.26	10,668.5	-376.3	2,426.7	2,442.2	0.00	0.00	0.00
13,000.0	88.67	90.26	10,670.8	-376.7	2,526.7	2,542.1	0.00	0.00	0.00
13,100.0	88.67	90.26	10,673.1	-377.2	2,626.6	2,641.9	0.00	0.00	0.00
13,200.0	88.67	90.26	10,675.5	-377.6	2,726.6	2,741.8	0.00	0.00	0.00
		90.26	10,675.5		2,726.6	2,741.0	0.00	0.00	0.00
13,300.0 13,400.0	88.67 88.67	90.26	10,680.1	-378.1 -378.6	2,926.5	2,941.7	0.00	0.00	0.00
						and the second second	0.00	0.00	0.00
13,500.0 13,600.0	88.67 88.67	90.26 90.26	10,682.4 10,684.7	-379.0 -379.5	3,026.5 3,126.5	3,041.4 3,141.3	0.00	0.00	0.00
13,700.0	88.67	90.26	10,687.1	-379.9	3,226.5	3,241.2	0.00	0.00	0.00
13,800.0	88.67	90.26	10,689.4	-380.4	3,326.4	3,341.1	0.00	0.00	0.00
13,900.0	88.67	90.26	10,691.7	-380.9	3,426.4	3,440.9	0.00	0.00	0.00
14,000.0	88.67	90.26	10,694.0	-381.3	3,526.4	3,540.8	0.00	0.00	0.00
14,100.0	88.67	90.26	10,696.3	-381.8	3,626.4	3,640.7	0.00	0.00	0.00
14,200.0	88.67	90.26	10,698.6	-382.3	3,726.3	3,740.6	0.00	0.00	0.00
14,300.0	88.67	90.26	10,701.0	-382.7	3,826.3	3,840.4	0.00	0.00	0.00
14,400.0	88.67	90.26	10,703.3	-383.2	3,926.3	3,940.3	0.00	0.00	0.00
14,500.0	88.67	90.26	10,705.6	-383.6	4,026.2	4,040.2	0.00	0.00	0.00
14,600.0	88.67	90.26	10,705.6	-384.1	4,026.2	4,140.1	0.00	0.00	0.00
14,700.0	88.67	90.26	10,710.2	-384.6	4,226.2	4,239.9	0.00	0.00	0.00
14,800.0	88.67	90.26	10,712.6	-385.0	4,326.2	4,339.8	0.00	0.00	0.00
14,900.0	88.67	90.26	10,714.9	-385.5	4,426.1	4,439.7	0.00	0.00	0.00
15,000.0	88.67	90.26	10,717.2	-385.9	4,526.1	4,539.6	0.00	0.00	0.00
15,100.0	88.67	90.26	10,719.5	-386.4	4,626.1	4,639.4	0.00	0.00	0.00
15,200.0	88.67	90.26	10,721.8	-386.9	4,726.0	4,739.3	0.00	0.00	0.00
15,200.0	88.67	90.26	10,721.8	-386.9	4,726.0	4,739.3	0.00	0.00	0.00
15,400.0	88.67	90.26	10,724.2	-387.8	4,926.0	4,939.1	0.00	0.00	0.00

Database: Company: Project:

Site:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Design: Design

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

ilgn:	Design #1						lease south		
inned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,500.0	88.67	90.26	10,728.8	-388.2	5,026.0	5,038.9	0.00	0.00	0.00
15,600.0	88.67	90.26	10,731.1	-388.7	5,125.9	5,138.8	0.00	0.00	0.00
15,700.0	88.67	90.26	10,733.4	-389.2	5,225.9	5,238.7	0.00	0.00	0.00
15,800.0	88.67	90.26	10,735.8	-389.6	5,325.9	5,338.6	0.00	0.00	0.00
15,900.0	88.67	90.26	10,738.1	-390.1	5,425.8	5,438.4	0.00	0.00	0.00
16,000.0	88.67	90.26	10,740.4	-390.6	5,525.8	5,538.3	0.00	0.00	0.00
16,100.0	88.67	90.26	10,742.7	-391.0	5,625.8	5,638.2	0.00	0.00	0.00
16,200.0	88.67	90.26	10,745.0	-391.5	5,725.8	5,738.1	0.00	0.00	0.00
16,300.0	88.67	90.26	10,747.3	-391.9	5,825.7	5,837.9	0.00	0.00	0.00
16,400.0	88.67	90.26	10,749.7	-392.4	5,925.7	5,937.8	0.00	0.00	0.00
16,500.0	88.67	90.26	10,752.0	-392.9	6,025.7	6,037.7	0.00	0.00	0.00
16,600.0	88.67	90.26	10,754.3	-393.3	6,125.7	6,137.6	0.00	0.00	0.00
16,700.0	88.67	90.26	10,756.6	-393.8	6,225.6	6,237.4	0.00	0.00	0.00
16,800.0	88.67	90.26	10,758.9	-394.2	6,325.6	6,337.3	0.00	0.00	0.00
16,900.0	88.67	90.26	10,761.3	-394.7	6,425.6	6,437.2	0.00	0.00	0.00
17,000.0	88.67	90.26	10,763.6	-395.2	6,525.5	6,537.1	0.00	0.00	0.00
17,100.0	88.67	90.26	10,765.9	-395.6	6,625.5	6,636.9	0.00	0.00	0.00
17,200.0	88.67	90.26	10,768.2	-396.1	6,725.5	6,736.8	0.00	0.00	0.00
17,300.0	88.67	90.26	10,770.5	-396.5	6,825.5	6,836.7	0.00	0.00	0.00
17,400.0	88.67	90.26	10,772.9	-397.0	6,925.4	6,936.6	0.00	0.00	0.00
17,500.0	88.67	90.26	10,775.2	-397.5	7,025.4	7,036.4	0.00	0.00	0.00
17,600.0	88.67	90.26	10,777.5	-397.9	7,125.4	7,136.3	0.00	0.00	0.00
17,700.0	88.67	90.26	10,779.8	-398.4	7,225.3	7,236.2	0.00	0.00	0.00
17,800.0	88.67	90.26	10,782.1	-398.9	7,325.3	7,336.1	0.00	0.00	0.00
17,900.0	88.67	90.26	10,784.4	-399.3	7,425.3	7,435.9	0.00	0.00	0.00
18,000.0	88.67	90.26	10,786.8	-399.8	7,525.3	7,535.8	0.00	0.00	0.00
18,100.0	88.67	90.26	10,789.1	-400.2	7,625.2	7,635.7	0.00	0.00	0.00
18,200.0	88.67	90.26	10,791.4	-400.7	7,725.2	7,735.6	0.00	0.00	0.00
18,300.0	88.67	90.26	10,793.7	-401.2	7,825.2	7,835.4	0.00	0.00	0.00
18,400.0	88.67	90.26	10,796.0	-401.6	7,925.2	7,935.3	0.00	0.00	0.00
18,500.0	88.67	90.26	10,798.4	-402.1	8,025.1	8,035.2	0.00	0.00	0.00
18,600.0	88.67	90.26	10,800.7	-402.5	8,125.1	8,135.1	0.00	0.00	0.00
18,699.9	88.67	90.26	10,803.0	-403.0	8,225.0	8,234.9	0.00	0.00	0.00
BHL: 330' FS	L & 330' FEL, S	ec24							

Database: Company: Project:

Site:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Well: Wellbore: Sec 23, T24S, R28E BHL: 330' FSL & 330' FEL, Sec 24

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H

WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

Target Name									
- hit/miss target - Shape	Dip Angle (°)	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SL: 690' FSL & 2175' FV - plan hits target cente - Point	0.00 er	0.00	0.0	0.0	0.0	435,759.00	584,776.00	32° 11' 51.798 N	104° 3' 33.366 W
KOP @ 10059' - plan hits target cente - Point	0.00 er	0.00	10,059.0	0.0	0.0	435,759.00	584,776.00	32° 11' 51.798 N	104° 3′ 33.366 W
LP/FTP: 330' FSL & 235 - plan hits target cente - Point	0.00 er	0.00	10,632.0	-369.0	853.0	435,390.00	585,629.00	32° 11' 48.124 N	104° 3' 23.450 W
BHL: 330' FSL & 330' FE - plan hits target cente - Point	0.00 er	0.00	10,803.0	-403.0	8,225.0	435,356.00	593,001.00	32° 11′ 47.592 N	104° 1' 57.657 W

Mewbourne Oil Company

Eddy County, New Mexico Queen 23/24 W2OP Fed Com #2H

Sec 23, T24S, R28E

SL: 690' FSL & 2175' FWL, Sec 23 BHL: 330' FSL & 330' FEL, Sec 24

Plan: Design #1

Standard Planning Report

06 April, 2017

Database: Company: Project:

Hobbs

Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Sec 23, T24S, R28E Well:

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H

WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

Minimum Curvature

Project

Site:

Eddy County, New Mexico

Map System: Geo Datum: Map Zone:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

New Mexico East 3001

System Datum:

Mean Sea Level

Site

Queen 23/24 W2OP Fed Com #2H

Site Position: From:

Map

Northing: Easting:

435,759.00 usft 584,776.00 usft Latitude: Longitude:

32° 11' 51.798 N 104° 3' 33.366 W

Position Uncertainty:

0.0 usft

Slot Radius:

13-3/16 "

Grid Convergence:

0.15

Well Well Position Sec 23, T24S, R28E

+N/-S

+E/-W

0.0 usft 0.0 usft Northing: Easting:

435,759.00 usft 584,776.00 usft Latitude: Longitude: 32° 11' 51.798 N

Position Uncertainty

0.0 usft

Wellhead Elevation:

2,982.0 usft

Ground Level:

104° 3' 33.366 W 2,955.0 usft

Wellbore BHL: 330' FSL & 330' FEL, Sec 24

Design #1

Declination Dip Angle Field Strength Magnetics **Model Name** Sample Date (°) (nT) (°) IGRF200510 12/31/2009 7.97 60.13 48,725

Design

Audit Notes:

Version:

Phase:

PROTOTYPE

Tie On Depth:

0.0

Vertical Section:

Depth From (TVD) (usft)

0.0

+N/-S (usft) 0.0

+E/-W (usft) 0.0

Direction (°) 92.81

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
10,059.0	0.00	0.00	10,059.0	0.0	0.0	0.00	0.00	0.00	0.00	KOP @ 10059'
10,971.9	91.28	118.71	10,631.9	-281.4	513.8	10.00	10.00	0.00	118.71	
11,325.9	88.67	90.26	10,632.0	-369.0	853.0	8.07	-0.74	-8.03	-95.14	LP/FTP: 330' FSL & 2
18,699.9	88.67	90.26	10,803.0	-403.0	8,225.0	0.00	0.00	0.00	0.00	BHL: 330' FSL & 330

Database: Company: Project: Site:

Well:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Sec 23, T24S, R28E

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

ign:	Design #1						FILE ISSUE		
ned Survey	No. of the last of								
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0		0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
	SL & 2175' FWL, S								
100.0	THE RESERVE TO SHARE THE PARTY OF THE PARTY	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0		0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0		0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0		0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500	0.00	0.00	500.0	0.0	0.0	0.0		0.00	
500.0		0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0		0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0		0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0		0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0		0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0		0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0		0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0		0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0		0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0		0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0		0.00	1,700.0	0.0					
					0.0	0.0	0.00	0.00	0.00
1,800.0		0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0		0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0		0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0		0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0		0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0		0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0		0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0		0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0		0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0		0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0		0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0		0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0		0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0		0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0		0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0		0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0		0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0		0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0		0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0		0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0		0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
						0.0	0.00	0.00	0.00
5,000.0		0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00

Database: Company: Project:

Site:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E
Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

gn:	Design #1								
nned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0	0.00	0.00	9,400.0	0.0	0.0	0.0	0.00	0.00	0.00
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00
9,900.0	0.00	0.00	9,900.0	0.0	0.0	0.0	0.00	0.00	0.00
10,000.0	0.00	0.00	10,000.0	0.0	0.0	0.0	0.00	0.00	0.00
10,059.0	0.00	0.00	10,059.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 1005									
10,100.0	4.10	118.71	10,100.0	-0.7	1.3	1.3	10.00	10.00	0.00
10,200.0	14.10	118.71	10,198.6	-8.3	15.1	15.5	10.00	10.00	0.00
10,300.0	24.10	118.71	10,293.0	-24.0	43.8	44.9	10.00	10.00	0.00

Database: Company: Project:

Wellbore:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Site: Well: Sec 23, T24S, R28E

BHL: 330' FSL & 330' FEL, Sec 24

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid Minimum Curvature

Design:	Design #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft
10,400.0	34.10	118.71	10,380.2	-47.3	86.4	88.6	10.00	10.00	0.0
10,500.0	44.10	118.71	10,457.7	-77.6	141.6	145.3	10.00	10.00	0.0
10,600.0	54.10	118.71	10,523.1	-113.8	207.8	213.2	10.00	10.00	0.0
10,700.0	64.10	118.71	10,574.4	-155.0	283.0	290.2	10.00	10.00	0.0
10,800.0	74.10	118.71	10,610.1	-199.8	364.8	374.2	10.00	10.00	0.0
10,900.0	84.10	118.71	10,629.0	-246.9	450.8	462.4	10.00	10.00	0.0
10,971.9	91.28	118.71	10,631.9	-281.4	513.8	526.9	10.00	10.00	0.0
11,000.0	91.08	116.45	10,631.3	-294.4	538.7	552.5	8.07	-0.73	-8.0
11,100.0	90.34	108.41	10,630.0	-332.5	631.1	646.6	8.07	-0.74	-8.0
11,200.0	89.60	100.38	10,630.1	-357.3	727.8	744.5	8.07	-0.74	-8.0

(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
10,400.0	34.10	118.71	10,380.2	-47.3	86.4	88.6	10.00	10.00	0.00
10,500.0	44.10	118.71	10,457.7	-77.6	141.6	145.3	10.00	10.00	0.00
10,600.0	54.10	118.71	10,523.1	-113.8	207.8	213.2	10.00	10.00	0.00
10,700.0	64.10	118.71	10,574.4	-155.0	283.0	290.2	10.00	10.00	0.00
10,800.0	74.10	118.71	10,610.1	-199.8	364.8	374.2	10.00	10.00	0.00
10,900.0	84.10	118.71	10,629.0	-246.9	450.8	462.4	10.00	10.00	0.00
10,971.9	91.28	118.71	10,631.9	-281.4	513.8	526.9	10.00	10.00	0.00
11,000.0	91.08	116.45	10,631.3	-294.4	538.7	552.5	8.07	-0.73	-8.04
11,100.0	90.34	108.41	10,630.0	-332.5	631.1	646.6	8.07	-0.74	-8.03
11,200.0	89.60	100.38	10,630.1	-357.3	727.8	744.5	8.07	-0.74	-8.03
11,300.0	88.86	92.34	10,631.4	-368.4	827.1	844.2	8.07	-0.74	-8.03
11,325.9	88.67 'FSL & 2350' FE	90.26	10,632.0	-369.0	853.0	870.0	8.07	-0.72	-8.04
11,400.0	88.67	90.26	10,633.7	-369.3	927.1	944.1	0.00	0.00	0.00
11,500.0	88.67	90.26	10,636.0	-369.8	1,027.1	1,043.9	0.00	0.00	0.00
11,600.0	88.67	90.26	10,638.4	-370.3	1,127.1	1,143.8	0.00	0.00	0.00
11,700.0	88.67	90.26	10,640.7	-370.7	1,227.0	1,243.7	0.00	0.00	0.00
11,800.0	88.67	90.26	10,643.0	-371.2	1,327.0	1,343.6	0.00	0.00	0.00
11,900.0	88.67	90.26	10,645.3	-371.6	1,427.0	1,443.4	0.00	0.00	0.00
12,000.0	88.67	90.26	10,647.6	-371.6	1,526.9	1,543.4	0.00	0.00	0.00
12,100.0	88.67	90.26	10,650.0	-372.1	1,626.9	1,643.2	0.00	0.00	0.00
12,200.0	88.67	90.26	10,652.3	-373.0	1,726.9	1,743.1	0.00	0.00	0.00
12,300.0	88.67	90.26	10,654.6	-373.5	1,826.9	1,842.9	0.00	0.00	0.00
12,400.0	88.67	90.26	10,656.9	-374.0	1,926.8	1,942.8	0.00	0.00	0.00
12,500.0	88.67	90.26	10,659.2	-374.4	2,026.8	2,042.7	0.00	0.00	0.00
12,600.0	88.67	90.26	10,661.5	-374.4	2,126.8	2,142.6	0.00	0.00	0.00
12,700.0	88.67	90.26	10,663.9	-375.3	2,226.7	2,242.4	0.00	0.00	0.00
12,800.0	88.67	90.26	10,666.2	-375.8	2,326.7	2,342.3	0.00	0.00	0.00
12,900.0	88.67	90.26	10,668.5	-376.3	2,426.7	2,442.2	0.00	0.00	0.00
13,000.0	88.67	90.26	10,670.8	-376.7	2,526.7	2,542.1	0.00	0.00	0.00
13,100.0	88.67	90.26	10,673.1	-377.2	2,626.6	2,641.9	0.00	0.00	0.00
13,200.0	88.67	90.26	10,675.5	-377.6	2,726.6	2,741.8	0.00	0.00	0.00
13,300.0	88.67	90.26	10,677.8	-378.1	2,826.6	2,841.7	0.00	0.00	0.00
13,400.0	88.67	90.26	10,680.1	-378.6	2,926.5	2,941.6	0.00	0.00	0.00
13,500.0	88.67	90.26	10,682.4	-379.0	3,026.5	3,041.4	0.00	0.00	0.00
13,600.0	88.67	90.26	10,684.7	-379.5	3,126.5	3,141.3	0.00	0.00	0.00
13,700.0	88.67	90.26	10,687.1	-379.9	3,226.5	3,241.2	0.00	0.00	0.00
13,800.0	88.67	90.26	10,689.4	-380.4	3,326.4	3,341.1	0.00	0.00	0.00
13,900.0	88.67	90.26	10,691.7	-380.9	3,426.4	3,440.9	0.00	0.00	0.00
14,000.0	88.67	90.26	10,694.0	-381.3	3,526.4	3,540.8	0.00	0.00	0.00
14,100.0	88.67	90.26	10,696.3	-381.8	3,626.4	3,640.7	0.00	0.00	0.00
14,200.0	88.67	90.26	10,698.6	-382.3	3,726.3	3,740.6	0.00	0.00	0.00
14,300.0	88.67	90.26	10,701.0	-382.7	3,826.3	3,840.4	0.00	0.00	0.00
14,400.0	88.67	90.26	10,703.3	-383.2	3,926.3	3,940.3	0.00	0.00	0.00
14,500.0	88.67	90.26	10,705.6	-383.6	4,026.2	4,040.2	0.00	0.00	0.00
14,600.0	88.67	90.26	10,707.9	-384.1	4,126.2	4,140.1	0.00	0.00	0.00
14,700.0	88.67	90.26	10,710.2	-384.6	4,226.2	4,239.9	0.00	0.00	0.00
14,800.0	88.67	90.26	10,712.6	-385.0	4,326.2	4,339.8	0.00	0.00	0.00
14,900.0	88.67	90.26	10,714.9	-385.5	4,426.1	4,439.7	0.00	0.00	0.00
15,000.0	88.67	90.26	10,717.2	-385.9	4,526.1	4,539.6	0.00	0.00	0.00
15,100.0	88.67	90.26	10,719.5	-386.4	4,626.1	4,639.4	0.00	0.00	0.00
15,200.0	88.67	90.26	10,721.8	-386.9	4,726.0	4,739.3	0.00	0.00	0.00
15,300.0	88.67	90.26	10,724.2	-387.3	4,826.0	4,839.2	0.00	0.00	0.00
15,400.0	88.67	90.26	10,726.5	-387.8	4,926.0	4,939.1	0.00	0.00	0.00

Database: Company: Project:

Site:

Hobbs

Mewbourne Oil Company Eddy County, New Mexico

Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E

Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Design: Design

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

ned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
15,500.0	88.67	90.26	10,728.8	-388.2	5,026.0	5,038.9	0.00	0.00	0.00	
15,600.0	88.67	90.26	10,731.1	-388.7	5,125.9	5,138.8	0.00	0.00	0.00	
15,700.0	88.67	90.26	10,733.4	-389.2	5,225.9	5,238.7	0.00	0.00	0.00	
15,800.0	88.67	90.26	10,735.8	-389.6	5,325.9	5,338.6	0.00	0.00	0.00	
15,900.0	88.67	90.26	10,738.1	-390.1	5,425.8	5,438.4	0.00	0.00	0.00	
16,000.0	88.67	90.26	10,740.4	-390.6	5,525.8	5,538.3	0.00	0.00	0.00	
16,100.0	88.67	90.26	10,742.7	-391.0	5,625.8	5,638.2	0.00	0.00	0.00	
16,200.0	88.67	90.26	10,745.0	-391.5	5,725.8	5,738.1	0.00	0.00	0.00	
16,300.0	88.67	90.26	10,747.3	-391.9	5,825.7	5,837.9	0.00	0.00	0.00	
16,400.0	88.67	90.26	10,749.7	-392.4	5,925.7	5,937.8	0.00	0.00	0.00	
16,500.0	88.67	90.26	10,752.0	-392.9	6,025.7	6,037.7	0.00	0.00	0.00	
16,600.0	88.67	90.26	10,754.3	-393.3	6,125.7	6,137.6	0.00	0.00	0.00	
16,700.0	88.67	90.26	10,756.6	-393.8	6,225.6	6,237.4	0.00	0.00	0.00	
16,800.0	88.67	90.26	10,758.9	-394.2	6,325.6	6,337.3	0.00	0.00	0.00	
16,900.0	88.67	90.26	10,761.3	-394.7	6,425.6	6,437.2	0.00	0.00	0.00	
17,000.0	88.67	90.26	10,763.6	-395.2	6,525.5	6,537.1	0.00	0.00	0.00	
17,100.0	88.67	90.26	10,765.9	-395.6	6,625.5	6,636.9	0.00	0.00	0.00	
17,200.0	88.67	90.26	10,768.2	-396.1	6,725.5	6,736.8	0.00	0.00	0.00	
17,300.0	88.67	90.26	10,770.5	-396.5	6,825.5	6,836.7	0.00	0.00	0.00	
17,400.0	88.67	90.26	10,772.9	-397.0	6,925.4	6,936.6	0.00	0.00	0.00	
17,500.0	88.67	90.26	10,775.2	-397.5	7,025.4	7,036.4	0.00	0.00	0.00	
17,600.0	88.67	90.26	10,777.5	-397.9	7,125.4	7,136.3	0.00	0.00	0.00	
17,700.0	88.67	90.26	10,779.8	-398.4	7,225.3	7,236.2	0.00	0.00	0.00	
17,800.0	88.67	90.26	10,782.1	-398.9	7,325.3	7,336.1	0.00	0.00	0.00	
17,900.0	88.67	90.26	10,784.4	-399.3	7,425.3	7,435.9	0.00	0.00	0.00	
18,000.0	88.67	90.26	10,786.8	-399.8	7,525.3	7,535.8	0.00	0.00	0.00	
18,100.0	88.67	90.26	10,789.1	-400.2	7,625.2	7,635.7	0.00	0.00	0.00	
18,200.0	88.67	90.26	10,791.4	-400.7	7,725.2	7,735.6	0.00	0.00	0.00	
18,300.0	88.67	90.26	10,793.7	-401.2	7,825.2	7,835.4	0.00	0.00	0.00	
18,400.0	88.67	90.26	10,796.0	-401.6	7,925.2	7,935.3	0.00	0.00	0.00	
18,500.0	88.67	90.26	10,798.4	-402.1	8,025.1	8,035.2	0.00	0.00	0.00	
18,600.0	88.67	90.26	10,800.7	-402.5	8,125.1	8,135.1	0.00	0.00	0.00	
18,699.9	88.67	90.26	10,803.0	-403.0	8,225.0	8,234.9	0.00	0.00	0.00	
BHL: 330' FS	SL & 330' FEL, S	ec24								

Database: Company: Project: Site:

Design:

Hobbs Mewbourne Oil Company Eddy County, New Mexico

Design #1

Queen 23/24 W2OP Fed Com #2H

Well: Sec 23, T24S, R28E
Wellbore: BHL: 330' FSL & 330' FEL, Sec 24

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Queen 23/24 W2OP Fed Com #2H WELL @ 2982.0usft (Original Well Elev) WELL @ 2982.0usft (Original Well Elev)

Grid

Design Targets											
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude		
SL: 690' FSL & 2175' FV - plan hits target cent - Point	0.00 er	0.00	0.0	0.0	0.0	435,759.00	584,776.00	32° 11' 51.798 N	104° 3′ 33.366 W		
KOP @ 10059' - plan hits target cent - Point	0.00 er	0.00	10,059.0	0.0	0.0	435,759.00	584,776.00	32° 11′ 51.798 N	104° 3′ 33.366 W		
LP/FTP: 330' FSL & 235 - plan hits target cent - Point	0.00 er	0.00	10,632.0	-369.0	853.0	435,390.00	585,629.00	32° 11' 48.124 N	104° 3' 23.450 W		
BHL: 330' FSL & 330' FE - plan hits target cent - Point	0.00 er	0.00	10,803.0	-403.0	8,225.0	435,356.00	593,001.00	32° 11′ 47.592 N	104° 1' 57.657 W		

