#### **CASE NO. 22335**

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

#### MEWBOURNE OIL COMPANY'S EXHIBIT LIST

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3. Geologist's Affidavit
- 4. Affidavit of Mailing
- 5. Affidavit of Publication
- 6. Pooling Checklist

#### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 22335

#### **APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the of S½SW¼ Section 3 and the S½S½ of Section 4, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the  $S\frac{1}{2}SW\frac{1}{4}$  Section 3 and the  $S\frac{1}{2}S\frac{1}{2}$  of Section 4, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Samsonite 3/4 B2NM Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the S½SW¼ Section 3 and the S½S½ of Section 4 to the well. The well is a horizontal well, with a first take point in the SE¼SW¼ of Section 3 and a last take point in the SW¼SW¼ of Section 4.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the  $S\frac{1}{2}SW\frac{1}{4}$  Section 3 and the  $S\frac{1}{2}S\frac{1}{2}$  of Section 4 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

**EXHIBIT** 

formation underlying S½SW¼ Section 3 and the S½S½ of Section 4, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the  $S\frac{1}{2}SW\frac{1}{4}$  Section 3 and the  $S\frac{1}{2}S\frac{1}{2}$  of Section 4 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interest owners in the Bone Spring formation underlying the  $S\frac{1}{2}SW\frac{1}{4}$  Section 3 and the  $S\frac{1}{2}S\frac{1}{2}$  of Section 4;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2SW/4 of Section 3 and the S/2S/2 of Section 4, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Samsonite 3/4 B2NM Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4SW/4 of Section 3 and a last take point in the SW/4SW/4 of Section 4. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 6 miles southwest of Loco Hills, New Mexico.

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case No. 22335

#### VERIFIED STATEMENT OF ADRIANA SALGADO

Adriana Salgado, being duly sworn upon her oath, deposes and states:

- 1. I am a Landman for Mewbourne Oil Company ("Mewbourne") and have personal knowledge of the matters stated herein. I have worked as a landman for almost four years. I hold a Bachelor of Arts Degree in Humanities from the University of Texas of the Permian Basin. I have 4 years of land work experience with Apache Corporation, prior to working at Mewbourne Oil Company. Collectively, I have 10 years of land work experience.
- 2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:
  - (a) The purpose of this application is to force pool working interest owners into the Bone Spring formation horizontal spacing unit described below, and in wells to be drilled in the unit.
  - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well. All interest owners have been located.
  - (c) A plat outlining the unit being pooled is attached hereto as Exhibit 1. Mewbourne seeks an order approving a 240.00-acre horizontal spacing unit in the Bone Spring formation comprised of the S2S2 of Section 4 and the S2SW4 of Section 3, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the Samsonite 3/4 B2NM Fed Com #1H. There are no depth severances in the Bone Spring Formation.
  - (d) The parties being pooled and their interests are set forth in Exhibit 2. Their current and correct addresses are also set forth.

EXHIBIT 2

- (e) Exhibit 3 contains a summary of contacts with the interest owners, together with copies of the proposal letters sent to them and delivery receipts for each.
- (f) In order to locate the interest owners, Mewbourne examined the county records, performed internet searches, checked telephone records, and searched pertinent computer searches.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Exhibit 4 is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depth and length drilled in this area Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. Mewbourne requests that these rates be adjusted periodically as provided in the standard COPAS. Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Applicant requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me or under my supervision or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICA	1	10	
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STATE OF TEXAS	)
	) ss.
COUNTY OF MIDLAND	)

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

Adriana Salgado

SUBSCRIBED AND SWORN TO before me this 22nd day of November, 2021 by Adriana

Salgado.

My Commission Expires: 8-28-22



TIA ALEXANDER Notary ID #131701498 My Commission Expires

### **EXHIBIT 1**

#### **Section Plat**

Samsonite 3/4 B2NM Fed Com #1H S/2S/2 of Section 4 & S/2SW/4 of Section 3 T18S-R29E, Eddy County, NM

Section 4	Section 3
Tract 2	Tract 1

#### Tract 1: S2SW of Section 3 - Federal Lease LC 058480

Mewbourne Oil Company OXY Y-1 Company\* EOG Resources, Inc.\*

#### Tract 2: S2S2 of Section 4 - Fee Leases (Watson & Herren)

Mewbourne Oil Company

Barbara King Fair and John R. Garrett, Co-Trustees of the Robert W.

Fair, Allen W. Fair & Virginia F. Gowin Trusts\*

Robert Wood Fair and Virginia Fair Gowin, Trustees under the will of

Nancy Wood Fair, deceased\*

The heirs and devisees of Wilton H. Fair and Imogene Thompson Fair, deceased\*

Steven D. Arnold\*

MRC Delaware Resources, LLC\*

MRC Explorers Resources, LLC\*
MRC Spiral Resources, LLC\*
Jalapeño Corporation
Yates Energy Corporation\*
Sonic Oil & Gas, L.P.

\*Indicates parties being pooled.

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax. (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

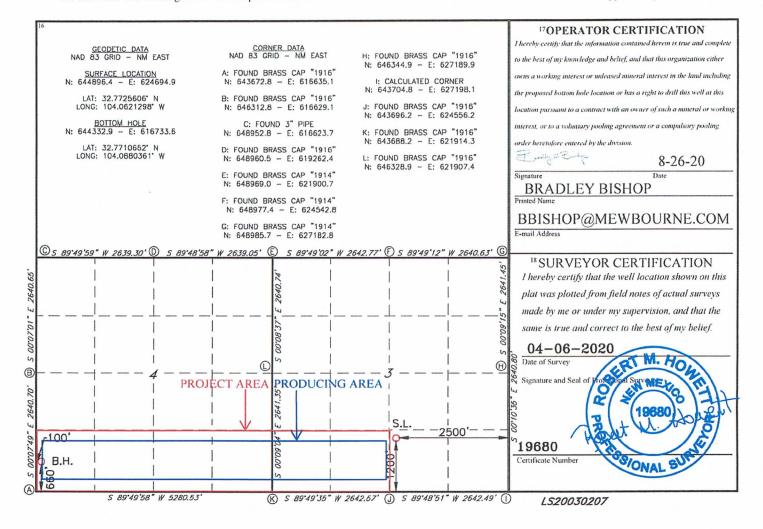
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 96832 SAND TA	3 Pool Name ANK; BONE SPRING	
4Property Code	SAMSONITE 3/4 B2NM FED COM	6 Well Number 1 H	
70GRID NO. 14744	NO. SOperator Name		

						Location		r . au . u	Cameta
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
0	3	188	29E		1200	SOUTH	2500	EAST	EDDY
" Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	188	29E		660	SOUTH	100	WEST	EDDY
12 Dedicated Acre	s 13 Joint	or Infill 14	Consolidation	Code 15	Order No.				
240									

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



### **EXHIBIT 2**

TRACT OWNERSHIP - CONTRACTUAL
Samsonite 3/4 B2NM Fed Com #1H
S/2S/2 of Section 4 & S/2SW/4 of Section 3,
Township 18 South, Range 29 East
Eddy County, New Mexico

#### **Bone Spring Formation:**

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	<u>% Leasehold Interest</u> 53.720102%
*EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706	16.666667%
*OXY Y-1 Company 5 Greenway Plaza, Suite 110 Houston, Texas 77046-0521	8.333333%
*Marathon Oil Permian LLC 5555 San Felipe Houston, Texas 77056	4.166667%
*OXY USA WTP LP 5 Greenway Plaza, Ste. 110 Houston, Texas 77046-0521	3.736111%
*MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	3.514284%
*McCombs Energy 750 East Mulberry, Suite 403 San Antonio, Texas 78212-6013	3.269097%
*Yates Energy Corporation P.O. Box 2323 Roswell, New Mexico 88202	1.386326%
Jalapeño Corporation P.O. Box 1216 Albuquerque, New Mexico 87103-1216	0.988278%

Bypass Trust Established in Art. 5 of the Will of Scott Evans Wilson 4601 Mirador Dr. Austin, Texas 78735	0.934028%
Family Trust Created under the Will of Richard Kevin Barr 8027 Chalk Knoll Dr. Austin, Texas 78735	0.934028%
*Steven D. Arnold P.O. Box 689 Tyler, Texas 75710	0.416667%
*Sam Lett Testamentary Trust 3500 Oak Lawn Ave., Suite 720 Dallas, Texas 75219	0.398438%
*MRC Spiral Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	0.327160%
*MRC Explorers Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	0.327160%
*Andrews Oil Company 1015 Beecave Woods Drive, Suite 300A Austin, Texas 78746	0.233507%
Sonic Oil & Gas, L.P. P.O. Box 1240 Graham, Texas 76450	0.185185%
V-F Petroleum Inc. P.O. Box 1889 Midland, Texas 79702	0.185185%
*The heirs and devisees of Wilton H. Fair and Imogene Thompson Fair, deceased P.O. Box 689 Tyler, Texas 75710	0.138889%
*Barbara King Fair and John R. Garrett, Co-Trustees of the Robert W. Fair, Allen W. Fair & Virginia F. Gowin Trusts P.O. Box 689 Tyler, Texas 75710	0.069444%

\*Robert W. Fair and Virginia F. Gowin, Trustees under the will

of Nancy Wood Fair

0.069444%

P.O. Box 689 Tyler, Texas 75710

Total

100.00000%

\*Total interest being pooled: 43.053194%

### EXHIBIT 3

Summary of Communications
Samsonite 3/4 B2KL Fed Com #1H
Samsonite 3/4 B2NM Fed Com #1H

Company Na	me: EOG Resources, Inc.	
Date:	Communicated with:	Comments/Actions:
8/17/2021	Chris Leyendecker	Mailed well proposals via certified mail and email dated 8/17/21.
8/24/2021		Certified Mail receipt showed successful delivery at 11:59 AM
8/31/2021	Chris Leyendecker	Chris emailed me to ask for spud dates on these wells.
9/2/2021	Chris Leyendecker	I emailed Chris with spud date responses.
9/2/2021	Chris Leyendecker	I got an automated response from Chris that he was out of office and would get back to me on 9/8/2021.
9/30/2021	Chris Leyendecker	Mailed JOA proposal via certified mail dated 9/30/2021.
10/1/2021		Certified Mail receipt showed successful delivery at 9:03 PM

Company Na	me: OXY Y-1 Company &	
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/20/2020		Certified Mail receipt showed successful delivery at 6:33 AM and 11:05 AM.
1/12/2021	Jonathan Gonzales	I emailed Jonathan to inquire on their elections and making them aware we would have to pool them soon.
1/12/2021	Jonathan Gonzales	Jonathan emailed me to let me know that OXY would not likely evaluate these wells until they received a pooling order for them, and he asked me for spud dates.
1/13/2021	Jonathan Gonzales	I emailed Jonathan with spud date responses.
3/8/2021	Jonathan Gonzales	Jonathan emailed me asking for spud dates again.
3/8/2021	Jonathan Gonzales	I emailed Jonathan to let him know that we are waiting on Federa APDs for these wells and when we are hoping to spud.
3/8/2021	Jonathan Gonzales	Jonathan emailed me asking me if we were going to repropose these wells.
3/9/2021	Jonathan Gonzales	I emailed Jonathan to negotiate terms of OA.
3/9/2021	Jonathan Gonzales	Jonathan emailed me and called me regarding OA term negotiations.
6/10/2021	Jonathan Gonzales	Jonathan emailed me asking for spud dates, and calculations for these wells. He also mentioned that there are different negotiations going on with higher ups on this acreage.
6/10/2021	Jonathan Gonzales	I emailed Jonathan with calculations and spud dates.
6/10/2021	Jonathan Gonzales	Jonathan emailed me thanking me for the information and stated they would review.
7/27/2021	Jonathan Gonzales	Jonathan emailed me to let me know that he had received a copy of the Title Opinion for these wells and he couldn't figure their ownership out. He asked me some questions.
7/27/2021	Jonathan Gonzales	I emailed Jonathan back with responses for his TO questions.

Bill Burford	I emailed Bill, the attorney who rendered the TO for these wells,
	to inquire of the interest questions that OXY had.
Jonathan Gonzales	Jonathan emailed me to ask for more clarity on the TO.
Bill Burford	I called Bill to ask about the email I sent back in July regarding OXY's
	interest questions.
Jonathan Gonzales	I emailed Jonathan to let him know that Bill was looking into it.
Jonathan Gonzales	I emailed Jonathan with Bill's explanation of the TO interest issue.
Jonathan Gonzales	Mailed JOA proposal via certified mail dated 9/30/2021.
	Certified Mail receipt showed successful delivery at 4:14 PM
	Jonathan Gonzales Bill Burford  Jonathan Gonzales Jonathan Gonzales

Company Na	me: Marathon Oil Permia	an LLC
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/20/2020		Certified Mail receipt showed successful delivery at 3:39 PM.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/4/2021		Certified Mail receipt showed successful delivery at 4:14 PM

Company Na	me: MRC Delaware Reso	urces, LLC, MRC Spiral Resources, LLC & MRC Explorers Resources,
Date:	Communicated with:	Comments/Actions:
6/9/2021		Mailed well proposals via certified mail dated 6/9/2021.
		Could not locate a delivered receipt.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/4/2021		Certified Mail receipt showed successful delivery at 4:14 PM.

Company Na	me: McCombs Energy	
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/20/2020		Certified Mail receipt showed successful delivery at 11:10 AM.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/4/2021		Certified Mail receipt showed that delivery was attempted at 5:58
		PM but there was no access to delivery location. We have not
		received this packet back yet.

Company Na	me: Yates Energy Corpor	ation
Date:	Communicated with:	Comments/Actions:
6/9/2021		Mailed well proposals via certified mail dated 6/9/2021.
6/11/2021		Certified Mail receipt showed successful delivery at 2:36 PM.
9/30/2021	7. 7. 7. 7. 7.	Mailed JOA proposal via certified mail dated 9/30/2021.
10/5/2021		Certified Mail receipt showed successful delivery at 4:41 PM.

Company Na	me: Steven D. Arnold	
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/16/2020		Certified Mail receipt showed it was sent at 1:05 PM on this day,
- 2		but we were unable to locate a successful delivery receipt.
1/22/2021		Mailed well proposals via certified mail to a new address dated
		1/22/2021.
2/1/2021		Certified Mail receipt showed successful delivery at 9:17 AM.

9/30/2021	Mailed JOA proposal via certified mail dated 9/30/2021.
10/6/2021	Certified Mail receipt showed successful delivery at 9:17 AM.

Company Na	me: Sam Lett Testamenta	ary Trust
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/16/2020		Certified Mail receipt showed it was sent at 1:53 PM on this day,
		but we were unable to locate a successful delivery receipt.
3/25/2021	Phil Rugeley	I received an email from Phil, who represents Thomas Lett, who was listed as trustee of Sam Lett Trust, and he stated that the Sam Lett Trust had been dissolved, and they are unsure as to the ownership of those assets. I did not send the JOA for this Trust to Mr. Thomas Lett since he stated he had nothing to do with this Trust any longer. We are trying to locate where that interest went.

Company Na	me: Andrews Oil L.P.	
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/18/2020		Certified Mail receipt showed successful delivery at 10:17 AM.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/29/2021		Certified Mail receipt showed that this packet was held at the
		post office per customer request at 8:22 AM.

Company Na	me: Wilton Fair (The Hei	rs & Devisees of Wilton and Imogene Fair, deceased)
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
7/24/2020		Certified Mail receipt showed successful delivery at 9:42 AM.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/6/2021		Certified Mail receipt showed successful delivery at 9:17 AM.

Company Na	me: Barbara King Fair & .	John R. Garrett (Co-Trustees of the Robert W. Fair, Allen W. Fair &
Virginia F. Go		
Date:	Communicated with:	Comments/Actions:
6/9/2021		Mailed well proposals via certified mail dated 6/9/2021.
6/11/2021		Certified Mail receipt showed successful delivery at 2:36 PM.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/6/2021		Certified Mail receipt showed successful delivery at 10:59 AM.

Company Na Wood Fair)	ame: Nancy Wood Fair (R	obert W. Fair & Virginia F. Gowin, Trustees under the will of Nancy
Date:	Communicated with:	Comments/Actions:
7/16/2020		Mailed well proposals via certified mail dated 7/16/2020.
8/4/2020		Certified Mail receipt showed successful delivery at 10:24 AM.
7/13/2021	Rodney Thomson	I emailed Rodney regarding an email he sent to a co-worker asking about the Nancy Wood Fair interest in this area.
7/13/2021	Rodney Thomson	Rodney emailed me a flow chart of what he thinks their interest should look like. However, we have had a Title Opinion rendered and it does not show the same thing.
7/15/2021	Rodney Thomson	I emailed Rodney asking him for a copy of a document.

7/16/2021	Rodney Thomson	Rodney emailed me to let me know that he didn't find a copy of the document, but a copy of a TO that stated the document was not ratified.
7/16/2021	Rodney Thomson	I emailed Rodney to let him know that I did find a copy of the document ratified by all parties.
9/30/2021		Mailed JOA proposal via certified mail dated 9/30/2021.
10/6/2021		Certified Mail receipt showed successful delivery at 10:59 AM.
11/22/2021	Rodney Thomson	Rodney emailed me asking me to get with him after the holidays again about their interest issues.

#### MEWBOURNE OIL COMPANY

FASKEN CENTER 500 WEST TEXAS, SUITE 1020 MIDLAND, TX 79701

TELEPHONE (432) 682-3715 FACSIMILE (432) 685-4170

August 17, 2021

Via Certified Mail & Email

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attn: Mr. Chris Leyendecker

Samsonite 3/4 B2NM Fed Com #1H

Section 3: W2 Section 4: All

T18S, R29E, Eddy County, New Mexico

Samsonite 3/4 B2KL Fed Com #1H

Section 3: W2 Section 4: All

T18S, R29E, Eddy County, New Mexico

Dear Sir or Madam,

Mewbourne Oil Company ("Mewbourne") hereby proposes to drill the referenced horizontal Bone Spring wells. The referenced wells will be drilled as stated below:

- The Samsonite 3/4 B2NM Fed Com #1H will be at a surface location 1400' FSL & 2500' FEL in Section 3, T-18-S, R-29-E and a bottom hole location approximately 1980' FSL & 100' FWL in Section 4, T-18-S, R-29-E, Eddy County, New Mexico. We anticipate drilling to an approximate true vertical depth of 7,289 feet and an approximate measured depth of 15,078 feet. The estimated cost to casing point for this well is \$2,800,200 and estimated cost of producing well is \$6,404,800.
- 2. The Samsonite 3/4 B2KL Fed Com #1H will be at a surface location 1400' FSL & 2500' FEL in Section 3, T-18-S, R-29-E and a bottom hole location approximately 1980' FSL & 100' FWL in Section 4, T-18-S, R-29-E, Eddy County, New Mexico. We anticipate drilling to an approximate true vertical depth of 7,171 feet and an approximate measured depth of 14,961 feet. The estimated cost to casing point for this well is \$2,797,500 and estimated cost of producing well is \$6,401,500.

These costs are more fully detailed in the AFE enclosed herewith. To facilitate the drilling of these wells and the development of this project area, Mewbourne proposes forming a working interest unit by signing an Operating Agreement with a Contract Area comprised of the W2 of Section 3 and All of Section 4. Our Joint Operating Agreement, to follow, will contain 100%/300% non-consent penalty, \$8,000.00/\$800 drilling/producing rates, be limited to the Bone Spring formation and MOC will be listed as Operator. If you do not wish to participate in the wells, Mewbourne is interested in discussing other options for your interest.

Enclosed are duplicate originals of Mewbourne's AFEs for the wells. To make your election to participate in the proposed wells, properly execute and return the AFEs. You will also need to provide your "Well Information" requirements. As a reminder, Mewbourne's AFEs provide all participants the opportunity to opt out of the "Extra Expense Well Control Insurance" that Mewbourne purchases for each well it drills. If you do opt out, you must provide evidence that you have adequate "Well Control Insurance".

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at <a href="mailto:asalgado@mewbourne.com">asalgado@mewbourne.com</a>.

Sincerely,

MEWBOURNE OIL COMPANY

Adriana Salgado Landman

#### Adriana Salgado

From:

webmaster@simplecertifiedmail.com

Sent:

Tuesday, August 24, 2021 11:59 AM

To:

Adriana Salgado

Subject:

[EXT] Document Delivered



#### **Document Delivered**

A document with a tracking code of 9414836897846269025454 and reference number of Samsonite 3/4 was successfully delivered to Mr. Chris Leyendecker at EOG Resources, Inc.

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

SimpleCertifiedMail.com 111 Commonwealth Court, Suite 103 Cary, NC 27511-4447

888-462-1750 ext. 2 | assistance@simplecertifiedmail.com

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#### MEWBOURNE OIL COMPANY

FASKEN CENTER 500 WEST TEXAS, SUITE 1020 MIDLAND, TX 79701

TELEPHONE (432) 682-3715 FACSIMILE (432) 685-4170

September 30, 2021

#### Via Certified Mail

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attn: Mr. Chris Leyendecker

Re: Samsonite 3/4 WIU JOA Proposal

Section 3: W2 Section 4: All

T18S, R29E, Eddy County, New Mexico

Dear Mr. Leyendecker,

Enclosed for your further handling regarding the captioned prospect and lands is our Operating Agreement dated September 1, 2021. The Operating Agreement is to coincide with the well proposals/AFEs I sent by letter dated August 17, 2021.

Regarding the above, please have the AFEs and signature pages of the Operating Agreement executed and return them to me, whereby you will retain the Operating Agreement for your file.

Should you have any questions regarding the above, feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at <a href="mailto:asalgado@mewbourne.com">asalgado@mewbourne.com</a>.

Sincerely,

MEWBOURNE OIL COMPANY

Adriana Salgado Landman

#### Adriana Salgado

From:

webmaster@simplecertifiedmail.com

Sent:

Friday, October 1, 2021 9:03 PM

To:

Adriana Salgado

Subject:

[EXT] Document Delivered



#### **Document Delivered**

A document with a tracking code of 9402836897846418260694 and reference number of Samsonite 3/4 was successfully delivered to Mr. Chris Leyendecker at EOG Resources Inc.

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

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#### EXHIBIT 4

#### MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

			- Faun			
Well Name: Samsonite 3/4			spect: 2ND			ST: NM
	& 2500 FEL (3); BHL: 660 FSL & 100 FWL	(4) C	ounty: Eddy	E Prop. TVI	D: 7289	TMD: 15078
Sec. 3 Blk: St	urvey:	1WP; 185	T			
Danielata a Daniela 9 Sumana	INTANGIBLE COSTS 0180		0180-0100	TCP \$20,000	0180-0200	CC
Regulatory Permits & Surveys Location / Road / Site / Prepar			0180-0100		0180-0200	\$40,00
Location / Restoration	lation		0180-0106		0180-0206	\$32,00
Daywork / Turnkey / Footage		18,000/d	0180-0110		0180-0210	\$57,70
Fuel	1700 gal/day @ \$1.3/gal		0180-0114	\$66,100	0180-0214	\$125,00
Mud, Chemical & Additives Horizontal Drillout Services			0180-0120	\$145,000	0180-0220	\$162,00
Cementing	Manual Control of the		0180-0125	\$80,000		\$25,00
Logging & Wireline Services			0180-0130		0180-0230	\$185,00
Casing / Tubing / Snubbing Se	rvice		0180-0134		0180-0234	\$40,00
Mud Logging	27.01.11.0.11.11.11.0.11.11	L.	0180-0137	\$30,000	0180-0241	\$1,025,00
Stimulation Stimulation Rentals & Other	37 Stg 14.8 MM gal / 14.8 MM II	D			0180-0241	\$160,00
Water & Other			0180-0145	\$40,000	0180-0245	\$170,00
Bits			0180-0148	\$106,800		\$5,00
Inspection & Repair Services			0180-0150	\$50,000		\$5,00
Misc. Air & Pumping Services Testing & Flowback Services			0180-0154	\$12,000	0180-0254 0180-0258	\$10,00 \$24,00
Completion / Workover Rig			0180-0156	\$12,000	0180-0258	\$10,50
Rig Mobilization			0180-0164	\$130,000		0.10,00
Transportation			0180-0165	\$30,000	0180-0265	\$30,00
Welding Services			0180-0168	\$4,000	0180-0268	\$15,00
Contract Services & Supervision			0180-0170	*****	0180-0270	
Directional Services Equipment Rental	Includes Vertical Control		0180-0175	\$355,000 \$197,600		\$24.00
Well / Lease Legal			0180-0184	\$5,000		\$24,00
Well / Lease Insurance			0180-0185	\$800		
Intangible Supplies			0180-0188	\$7,000		\$10,00
Damages			0180-0190	\$10,000		\$10,00
ROW & Easements Pipeline Interconnect			0180-0192		0180-0292 0180-0293	\$5,00 \$50,00
Company Supervision			0180-0195	\$388,900		\$110,40
Overhead Fixed Rate			0180-0196	\$10,000	-	\$20,00
Well Abandonment			0180-0198		0180-0298	
Contingencies	2% (TCP) 2% (CC)		0180-0199	\$49,200	0180-0299	\$47,00
		TOTAL		\$2,508,300		\$2,397,60
	TANGIBLE COSTS 0181					
Casing (19.1" - 30") Casing (10.1" - 19.0")	0501 10 2001 51 54 1 55 PTO 0 @ 621		0181-0793	212.000		
Casing (8.1" - 19.0")	350' - 13 3/8" 54.5# J-55 ST&C @ \$32 3375' - 9 5/8" 36# J-55 LT&C @ \$19.8		0181-0794	\$12,000 \$71,400		
Casing (6.1" - 8.0")	7565' - 7" 29# HCP-110 LT&C @ \$21.		0181-0796	\$173,500		
Casing (4.1" - 6.0")	7660' - 4 1/2" 13.5# P-110 BPN @ \$11	1.72/ft	0.0.	<b>V</b> ,	0181-0797	\$95,900
Tubing Hand	6715' - 2 7/8" 6.5# L-80 Tbg @ \$4.54/	lt			0181-0798	\$32,60
Drilling Head Tubing Head & Upper Section			0181-0860	\$35,000		
Horizontal Completion Tools	Completion Liner Hanger				0181-0870	\$30,000
Sucker Rods	Tanger				0181-0871	\$45,000
Subsurface Equipment	Packer				0181-0880	\$10,000
Artificial Lift Systems	Gas Lift Valves				0181-0884	\$15,000
Pumping Unit Surface Pumps & Prime Move					0181-0885	
Tanks - Oil	rs (1/2) VRU/SWD Pump/Circ Pump (1/2) 6 - 750 bbl				0181-0886	\$55,000
Tanks - Water	(1/2) 5 - 750 bbi coated				0181-0890 0181-0891	\$60,000
Separation / Treating Equipme	ent (1/2) GB/30"x10'x1k# 3ph/36"x15'x1k	# Hor 3ph/VRT/Flare			0181-0895	\$50,000 \$154,000
Heater Treaters, Line Heaters	8'x20'x75# HT				0181-0897	\$27,000
Metering Equipment Line Pipe & Valves - Gathering					0181-0898	\$15,000
Fittings / Valves & Accessories					0181-0900	\$100,000
Cathodic Protection					0181-0906	\$150,000
Electrical Installation					0181-0908	\$57,500 \$75,000
Equipment Installation					0181-0909	\$85,000
Pipeline Construction					0181-0920	\$150,000
		TOTAL		\$291,900		\$1,207,000
		SUBTOTAL		\$2,800,200		\$3,604,600
	TOTAL	WELL COST			1 000	\$5,004,000
Extra Expense Insurance	TOTAL	WELL COST		\$6,40	04,800	
l elect to be cove	ered by Operator's Extra Expense Insurance ar		ECHUMENTAL REFER	NATION STATES		
Operator has seco	ured Extra Expense Insurance covering costs of v	well control, clean up	nate share of the	ne premium.	ne Item 0180	0195
l elect to purchas	se my own well control insurance policy.		and rounning do	Communica in En	ie item o roo	0 185.
If neither box is checked above, non-op	perating working interest owner elects to be covered by C	Operators wall control in				
Prepared by:						
	H. Buckley	Date:	6/23/2020	_		
Company Approval:		Date:		_		
Joint Owner Interest:						
	Amount:					
Joint Owner Name:	Amount:	Signature:				

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

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

Case Nos. 22334 – 22335 (Samsonite wells)

Case Nos. 22336 – 22337 (Swanson wells)

#### SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND

STATE OF TEXAS

Charles Crosby deposes and states:

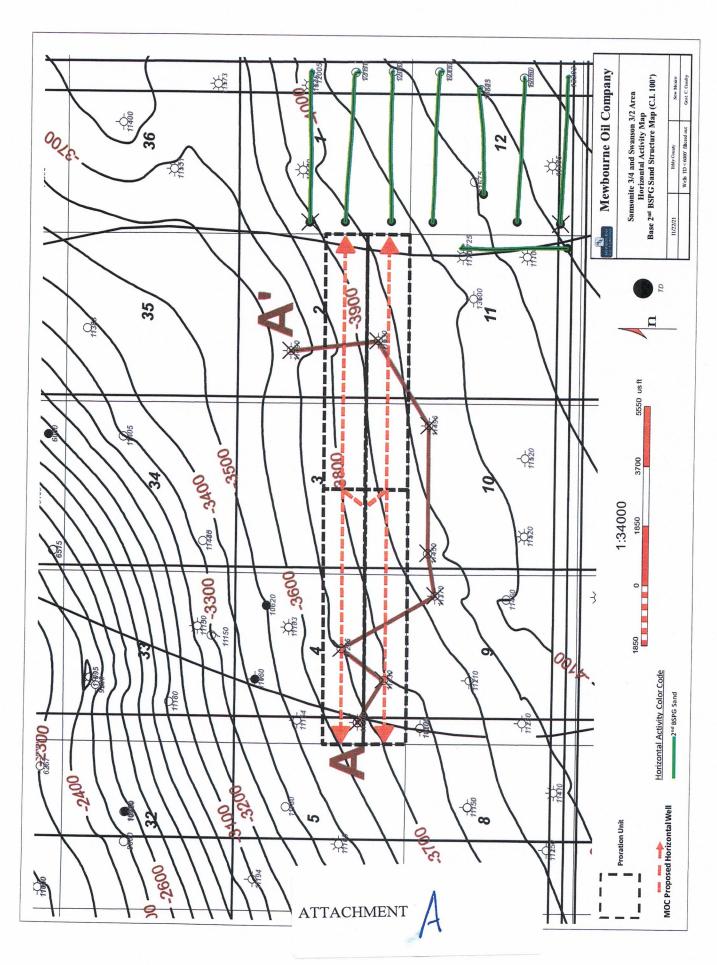
- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in these cases. I have been qualified by the Division as an expert petroleum geologist.
  - 3. The following geological plats are attached hereto:
  - (a) Attachment A is a structure map on the base of the Second Bone Spring Sand, which is the target formation for the Samsonite and Swanson wells. It accurately reflects the structure of the base of the Second Bone Spring Sand. It shows that structure dips gently to the southeast. It also shows Second Bone Spring Sand wells in the immediate area, and a line of cross-section.
  - (b) Attachment B is a Lower Second Bone Spring Sand Gross Thickness Map, which is the completion zone of the Samsonite and Swanson wells.
  - (c) Attachment C is a cross section of the Second Bone Spring Sand. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The target zones for the wells are continuous and uniformly thick across the well units.
- 4. I conclude from the maps that:
  - (a) The horizontal spacing units are justified from a geologic standpoint.

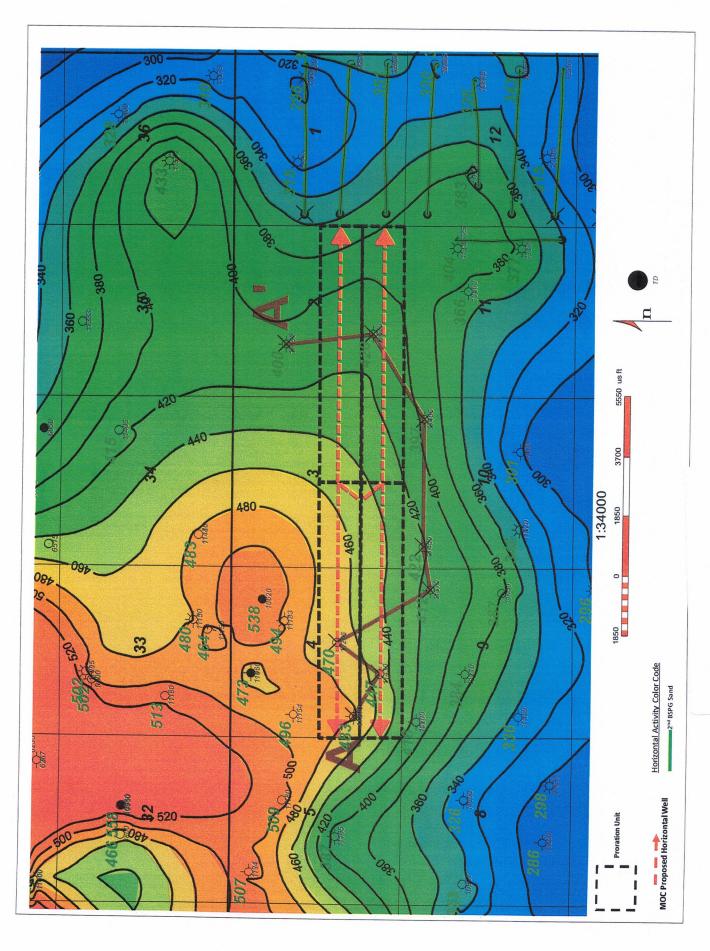
віт 3

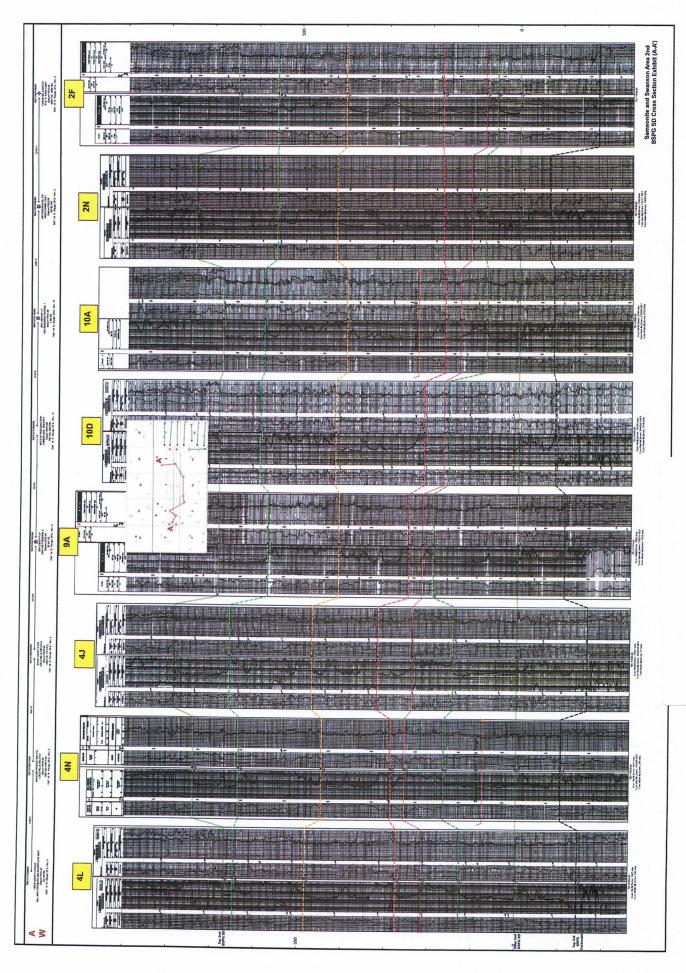
- (b) The target zone is continuous and of relatively uniform thickness across the well units.
- (c) Each quarter section in each well unit will contribute more or less equally to production from the target zone.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.
- 5. Attachment D contains information from nearby Second Bone Spring Sand wells drilled in this area. The drilled and completed wells indicate that laydown wells are a reasonable method to develop the reservoir in these sections.
- 6. Attachments E-1 and E-2 contain the horizontal drilling plans for the proposed Samsonite and Swanson wells, respectfully. The producing intervals of the wells will be orthodox.
- 7. I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 11/30/21

Charles Cross

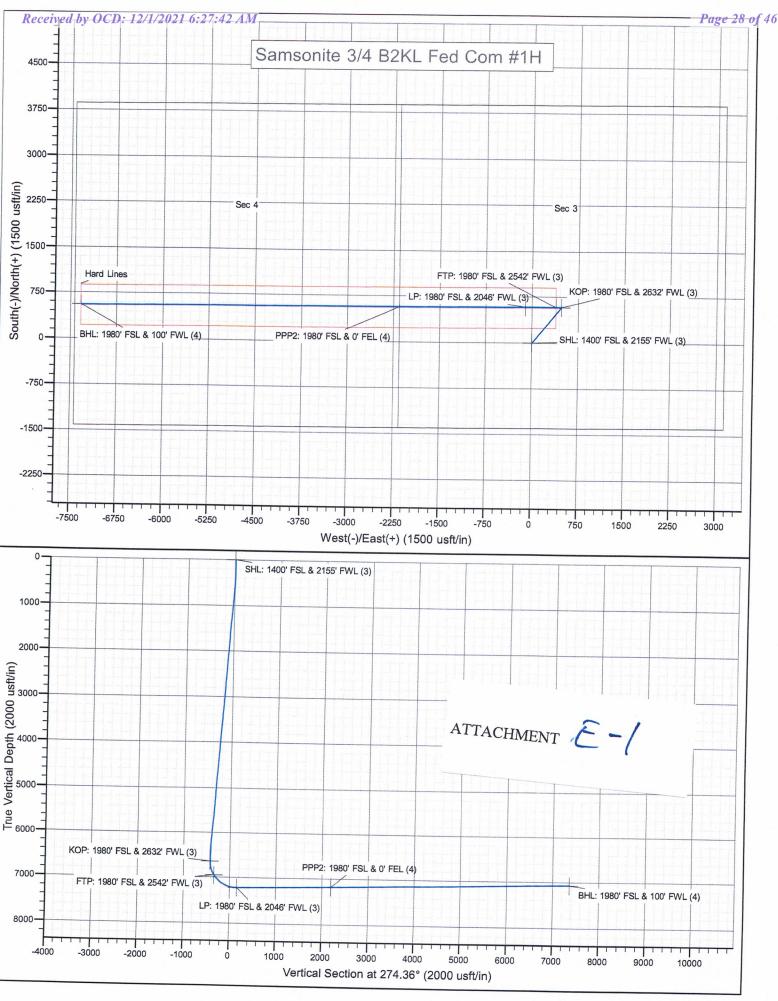


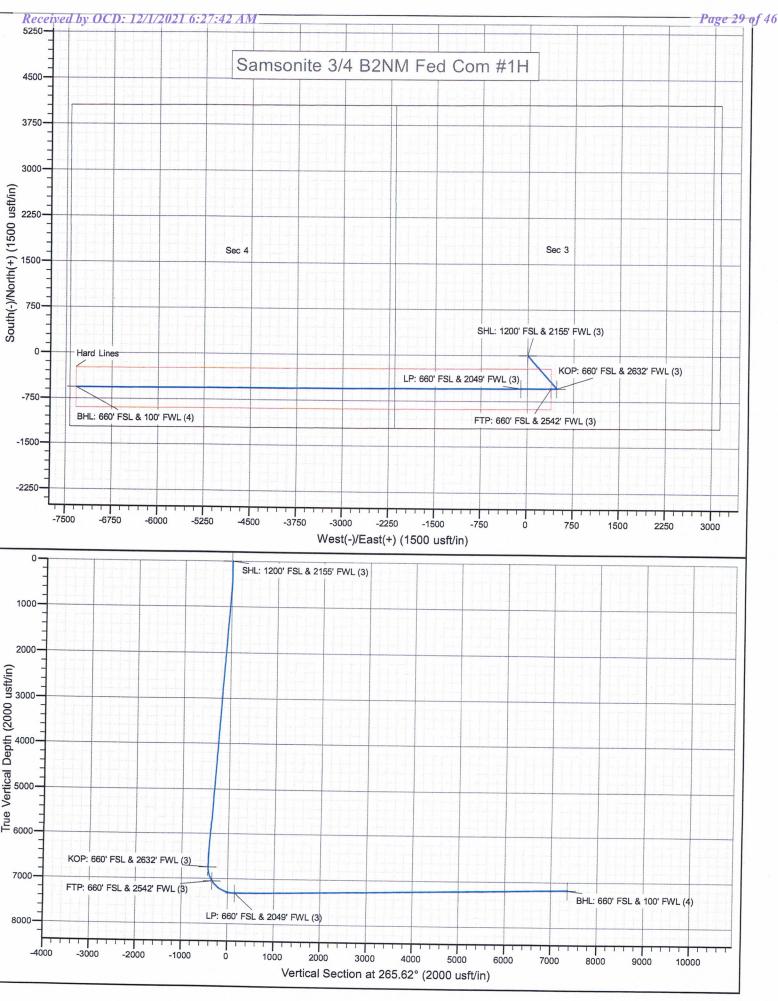


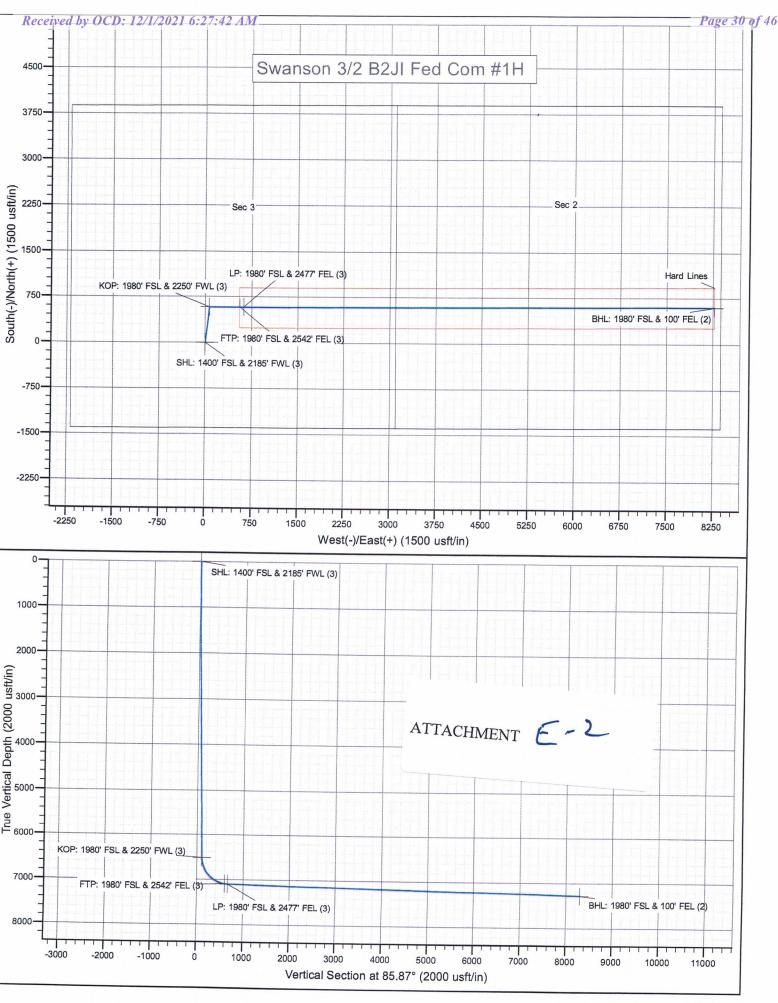


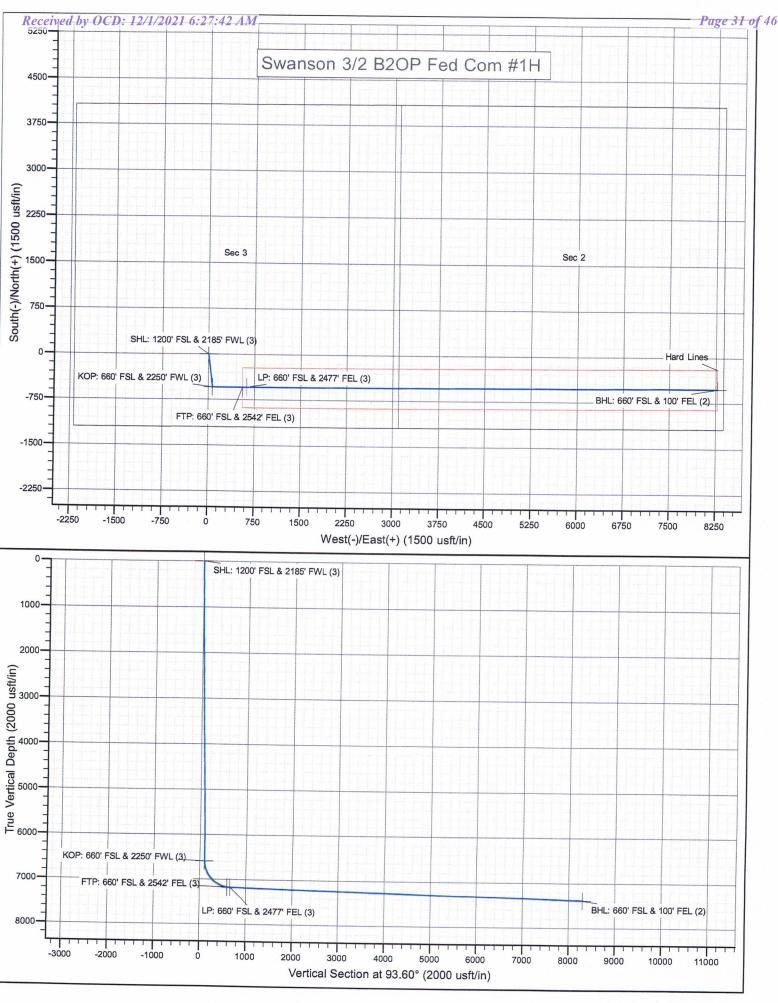
		Samsonite and Swanson Area 2nd RCDG CD Horizontal Bandungian Tallia	Wanson Area 2n	d RSDC SD Horizo	Dead Date	4-11			
Well Name			2000	מאווטוו מכים ה	III Production	lable			
	Operator	API	Location	Completion Date	Cum Oil /haber	2 1			
Duggan 12 Federal 1	FOG	20015290050100		בסווולוברוסוו חמרב	cum Oil (MBo)	cum Gas (Bct)	Cum Water (Mbw)	NS/EW	Production Zone
	202	20012269320100	12H/18S/29E	6/15/2005	147 1	90	32	100	-
LODO STATE COM IH	FOG	200152570000				0.0	0.7	EW	2nd Bone Spring Sand
Cand Tank And Tank		ODDOSO/CCCTOOC	11H/18S/29E	11/28/2007	107.5	0.0	177	014	
Jailu Idlik APS Federal Com 2H	FOG	2001527157000	200/000/000			+	T./+	SN	2nd Bone Spring Sand
Dailout DOA T - 1 A Od tuolica		2001237 1070000	12P/18S/29E	9/20/2010	275.4	1.0	7 70		
Dallout BOA Federal Com 1H	FOG	20015371590100		200-10-1-	213.4	T.3	36.5	EW	2nd Bone Spring Sand
F	202	OULUS I LEGUIDO	12I/18S/29E	10/15/2009	203 0	,	0 00		
Sand Lank 1 Federal Com 4H	EOG	20004 4076714006		COOR for for	503.3	1.1	13.9	EW	2nd Bone Spring Sand
	FOG	30015372140000	1H/18S/29F	1100/10/6	1771	0			nino Gilla
Sand Tank 1 Federal Com 3H	EOG	2004577777000		1107/12/2	1///1	T.O	9.7	EW	2nd Bone Spring Sand
	FOG	30013372130100	1P/18S/29F	1/5/2011	A 701	0			nine dinida anna
Sand Tank 1 Federal Com 2H	202	200000000000000000000000000000000000000		TT07 /c/+	197.4	T.0	16.7	EW	2nd Bone Spring Sand
	EUG	300153/2160100	11/18S/29F	01/01/01/2	240.0				punc Sunda ana
Duggan 12 Federal Com 3H	001		767 foot (m	0102/02/6	748.b	1.0	24.6	FW	2nd Rone Spring Cand
מבות כמום ו	EUG	30015376660100	12A/18S/29F	0100/20/01					zila polic apililg salla
			יברול יוסטן בייר	10/21/2010	214.3	1.0	22.2	FW	Jud Bong Caring Cand

ATTACHMENT









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

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

Case Nos. 22334 & 22335

SELF-AFFIRMED STATEMENT
COUNTY OF SANTA FE )
STATE OF NEW MEXICO )
James Bruce 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.
3, Mewbourne has conducted a good faith effort to locate the names and addresses of all interest owners in the proposed wells.
4. Notice of the pooling applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.  Date:
EXHIBIT 4

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

November 10, 2021

#### <u>CERTIFIED MAIL - RETURN RECEIPT REQUESTED</u>

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking orders pooling all mineral interest owners in the horizontal spacing units described below:

- 1. <u>Case 22334</u>: The Bone Spring formation underlying the N/2SW/4 of Section 3 and the N/2S/2 of Section 4, Township 18 South, Range 29 East, NMPM; and
- 2. <u>Case 22335</u>: The Bone Spring formation underlying the S/2SW/4 of Section 3 and the S/2S/2 of Section 4, Township 18 South, Range 29 East, NMPM.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, December 2, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to <a href="mailto:emmrd.state.nm.us/OCD/hearings">emmrd.state.nm.us/OCD/hearings</a> or see the instructions posted on the Division's website, <a href="http://emmrd.state.nm.us/OCD/announcements.html">http://emmrd.state.nm.us/OCD/announcements.html</a>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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, November 25, 2021. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

ATTACHMENT A

Very truly yours.

James Bruce

Attorney for Mewbourne Oil Company

#### EXHIBIT A

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attn: Mr. Chris Leyendecker

OXY Y-1 Company 5 Greenway Plaza, Ste. 110 Houston, Texas 77046-0521 Attn: Mr. Jonathan Gonzales

OXY USA WTP LP 5 Greenway Plaza, Ste. 110 Houston, Texas 77046-0521 Attn: Mr. Jonathan Gonzales

Manathon Oil Permian LLC 5555 San Felipe Houston, Texas 77056 Attn: Permian Land Manager

# MRC Explorers Resources LLC

MRC Spiral Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240 Attn: Nick Weeks

McCombs Energy 750 East Mulberry, Suite 403 San Antonio, Texas 78212-6013 Attn: Permian Land Manager

Yates Energy Corporation P.O. Box 2323 Roswell, New Mexico 88202 Attn: Ms. Becky Pemberton

Bypass Trust Established in Art. 5 of the Will of Scott Evans Wilson 4601 Mirador Dr. Austin, Texas 78735 Attn: Cynthia Mae Wilson, Trustee

Family Trust Created under the Will of Richard Kevin Barr 8027 Chalk Knoll Dr. Austin, Texas 78735 Attn: Beverly Jean Renfro Barr, Trustee Steven D. Arnold P.O. Box 689 Tyler, Texas 75710

Sam Lett Testamentary Trust 3500 Oak Lawn Ave., Suite 720 Dallas, Texas 75219 Attn: Thomas W. Lett, Trustee

Andrews Oil, LP 1015 Beecave Woods Drive, Suite 300A Austin, Texas 78746

The heirs and devisees of Wilton H. Fair and Imogene Thompson Fair, deceased P.O. Box 689 Tyler, Texas 75710

Barbara King Fair and John R. Garrett, Co-Trustees of the Robert W. Fair, Allen W. Fair & Virginia F. Gowin Trusts P.O. Box 689 Tyler, Texas 75710

Robert W. Fair and Virginia F. Gowin, Trustees under the wil of Nancy Wood Fair P.O. Box 689 Tyler, Texas 75710



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Signeture DAgent DAgent DAddressee	2/	D. Is delivery address different from item 1? <sup>1</sup> ☐ Yes If YES, enter delivery address below: ☐ No					Underlied Mail Hestricted Delivery ☐ Registered Mail Hestricted ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation	lestricted Delivery	(over \$500)	M Jann Domestic Return Receipt
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D. is delivery address different from if YES, enter delivery address by the YES, enter	Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) Sarah O'Shaughnessy	C. Date of Delivery
McCombs Energy   McCombs Energy   McCombs Energy   McCombs Energy   TSO Est Mulberry, Suite 403   San Antonio, Total Naturager   Active Formion Land Manager   Active Formion Land Manager   Active Formion Land Signature   Active Formion Land Signature   Active Formion Land Manager   Active Formion Land Manager   Active Formion Land Manager   Active Manager   Active Manager   Active Formion Land Manager   Active Manager   Activ	1. Article Addressed to:	D. Is delivery address different from If YES, enter delivery address be	
3. Service Type  D Adult Signature D Adult Signa	McCombs Energy 750 East Mutherny, Suite 403 San Antonio, Texas 78212-6013 Attr.: Permian Land Manager		
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7020	Sent To Bypass Trust Established in Art. 5 of the V	Will of Scott Evans Wilson
	4601 Mirador Dr. Austin, Texas 78735	
7	Street and Apt. No., or I Attn: Cynthia Mae Wilson, Trustee	
	City, State, ZIP+4®	
	BC Form 2000 Annil 2015 pour reason	
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L	<i>City, State, ZIP</i> +4 PS Form 3800, April 2015 PSN 753	0-02-000-9047 See Re	everse for Instructions

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### **Carlsbad Current Argus.**

## Affidavit of Publication Ad # 0005006702 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW POBOX 1056

SANTA FE, NM 87504

I, a legal cierk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

11/18/2021

Subscribed and sworn before me this November 18,

2021:

State of WI, County of Brown
NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005006702 PO #: 5006702 # of Affidavits 1

This is not an invoice

EXHIBIT

NOTICE
TO EOG Resources, Inc., OXY Y-1
Company, OXY USA WTP LP,
Marathon Oil Permian LLC, MRC
Delaware Resources LLC
Delaware Resources LLC
Delaware Resources LLC, MRC
Delaware Resources LLC, MRC
De ngs or see the instructions post-ed on the Division's website, htt p://emnrd.state.nm.us/OCD/anno uncements.html. You are not re-quired to attend this hearing, but as an owner of an interest but as an owner of an interest that may be affected by this application, you may appear and present testimony. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, November 25, 2021. This statement may be filed online with the Division at ocd.hearings@state.nm.us. Failfiled online with the División at ocd.hearings@state.nm.us. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@ aol.com. The units are located approximately 6 miles southwest of Loco Hills, New Mexico. #5006702, Current Argus, Nov. 18. 2021 18, 2021

NOTICE

# COMPULSORY POOLING APPLICATION CHECKLIST

Case:		22335
Date:	December 2, 2021	
Applicant	Mewbourne Oil Company	
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No.14744	
Applicant's Counsel:	James Bruce	
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Edd County, New Mexico	
Entries of Appearance/Intervenors:	MRC Permian Company/Holland & Hart LLP	
Well Family	Samsonite wells	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Entire Bone Spring formation	
Pool Name and Pool Code:	Sand Tank; Bone Spring/Pool Code 96832	
Well Location Setback Rules:	Statewide rules and current horizontal well rules	
Spacing Unit Size:	Quarter-quarter sections/40 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	240 acres	
Building Blocks:		
Orientation:	East - West	
Description: TRS/County	S/2SW/4 §3 and S/2S/2 §4-18S-29E, NMPM, Eddy County	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	No	
Proximity Tracts: If yes, description	No	EXHIBIT 6
Proximity Defining Well: if yes, description		
Applicant's Ownership in Each Tract	Exhibits 2-1 and 2-2	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Samsonite 3/4 B2NM Fed. Com. Well No. 1H API No. 30-015-Pending SHL: 1200 FSL & 2500 FEL §3 BHL: 660 FSL & 100 FWL §4 FTP: 660 FSL & 2540 FWL §3 LTP: 660 FSL & 100 FWL §4 Bone Spring/TVD 7289 feet/MD 15078 feet	

Hoffestived by Offer 12 and Plast 7 and AM	See above Page 45 of 4
Points	
Completion Target (Formation, TVD and	See above
MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit1
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10	
days before hearing)	Exhibit 5
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Exhibit 2-1
Tract List (including lease numbers and	
owners)	Exhibits 2-1 and 2-2
Pooled Parties (including ownership	
type)	Exhibit 2-2
Unlocatable Parties to be Pooled	
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-3
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibit 2-2
Chronology of Contact with Non-Joined	
Working Interests	Exhibit 2-3
Overhead Rates In Proposal Letter	Exhibit 2-3
Cost Estimate to Drill and Complete	Exhibit 2-4
Cost Estimate to Equip Well	Exhibit 2-4
Cost Estimate for Production Facilities	Exhibit 2-4
Geology	
Summary (including special	
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-1 and 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3
Well Orientation (with rationale)	Laydown/Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 2-1
Tracts	Exhibit 2-1
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 2-2
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Na Carlotte	
General Loca (16th Map (2012 Luciang 18 asiM)	Exhibits 2-1 and 3-A Page 46 of 4
Well Bore Location Map	Exhibits 2-1 and 3-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including	
wells)	Exhibits 3-B and 3-C
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
CERTIFICATION: I hereby certify that the	
information provided in this checklist is	
complete and accurate.	
Printed Name (Attorney or Party	
Representative):	James Bruce
Signed Name (Attorney or Party	// was black
Representative):	James Muce
Date:	November 30, 2021