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

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

Case No. 22644

### **NOTICE OF FILING ADDITIONAL EXHIBITS**

Mewbourne Oil Company hereby submits for filing the following additional exhibits:

Exhibit 2, the landman's affidavit.

Exhibit 2-A, the C-102 highlighting the well unit and including the dedicated acreage.

Exhibit 2-B, the listing of working interest owners and their percentage interests, and denoting the owners who are being pooled.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

jamesbruc@aol.com

Attorney for Mewbourne Oil Company

## 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 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 22644

### SELF-AFFIRMED STATEMENT OF BRAD DUNN

Brad Dunn, being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
- 2. Pursuant to Division Rules, the following information is submitted in support of this compulsory pooling application
- 3. The purpose of this application is to force pool working interest owners into the Wolfcamp horizontal spacing unit described below, and in wells to be drilled in the unit.
- 4. In Case No. 22644 Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Wolfcamp formation in a horizontal spacing unit underlying the S/2SW/4 of Section 33 and the S/2S/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit will be dedicated to the Overlord 33/32 W0NM Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4SW/4 of Section 33 and a last take point in the SW/4SW/4 of Section 32.
  - 5. There is no depth severance in the Wolfcamp formation.
- 6. Plats outlining the unit being pooled are submitted as Attachments A and part of Attachment B. A Form C-102 for the well is part of Attachment A.
- 7. The tracts in the unit, the leases, and the parties being pooled and their interests, are set forth in Attachment B. The persons noted with an asterisk are being pooled.
- 8. 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.

ехнівіт 2

- 9. In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, and searched Accurint and Whitepages. All interest owners are locatable
- 10. Attachment C is a sample copy of the proposal letter sent to the interest owners, and the certified receipts as to each owner. Attachment C also contains a summary of communications with the persons who received the well proposal. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.

COG Operating LLC and ConocoPhillips Company have signed a JOA, are not being pooled.

- 11. Attachment D is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- 12. 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. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 13. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.
  - 14. Mewbourne requests that it be designated operator of the well.
- 15. The attachments to this affidavit were prepared by me, or compiled from company business records.
- 16. Granting this application is in the interests of conservation and the prevention of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 16 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: November 17, 2022

Brad Dung

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			0	2 Pool Code	SIF Alacvan # 1/5 Cparllolfa				Wolfamp
<sup>4</sup> Property Code				5 Property Name					6 Well Number
			(	OVERLORD 33/32 WONM FED COM					1H
1494				*Operator Name  MEWBOURNE OIL COMPANY					<sup>9</sup> Elevation <b>3198</b>
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West li	ne County
J	33	20S	28E		2610	SOUTH	2435	EAST	EDDY
<sup>11</sup> 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 li	ne County
M	32	20S	28E		660	SOUTH	100	WEST	EDDY
12 Dedicated Acre 240	s 13 Joint	or Infill 14 (	Consolidation	Code 15 (	Order No.				

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

1	6 <u>CORNER DATA</u> NAD 83 GRID — NM EAST	G: FOUND BRASS CAP "1942" N: 559214.7 — E: 590333.4	17 <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete
	A: FOUND BRASS CAP "1941" N: 553882.3 — E: 579765.6	H: FOUND BRASS CAP "1942" N: 556566.9 — E: 590331.1	to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including
	B: FOUND BRASS CAP "1942" N: 556527.5 — E: 579737.6	I: FOUND BRASS CAP "1942" N: 553919.7 — E: 590328.7	i s
	C: FOUND BRASS CAP "1942" N: 559172.5 - E: 579709.2	J: FOUND BRASS CAP "1942" N: :553917.4 - E: 587685.4	KHIBIT 2-A
	D: FOUND BRASS CAP "1942" N: 559184.0 - E: 582361.8	K: FOUND BRASS CAP "1942" N: 553906.2 - E: 585043.2	MIIDII 👝 ,
	E: FOUND BRASS CAP "1942" N: 559196.2 - E: 585013.8	L: FOUND BRASS CAP "1942" N: 553893.7 - E: 582403.7	
	F: FOUND BRASS CAP "1942" N: 559205.0 - E: :587674.0	M: FOUND BRASS CAP "1942" N: 556550.0 - E: 585030.7	Printed Name
			E-mail Address
<b>© -</b>	N 89°45'06" E 2653.22' (D) S 89°44'16" W 2652.7	3' 🖲 S 89'48'37" W 2660.76' 🕞 N 89'47'28" E 2660.09' 🤄	
Ň		5	<sup>18</sup> SURVEYOR CERTIFICATION
5.7	GEODETIC DATA	GEODETIC DATA	I hereby certify that the well location shown on this
264	NAD 83 GRID — NM EAST	NAD 83 GRID - NM EAST	plat was plotted from field notes of actual surveys
, E	BOTTOM HOLEN: 554542.6 — E: 579858.6	SURFACE LOCATION  N: 556526.9 - E: 587896.6	made by me or under my supervision, and that the
0.36,20	LAT: 32.5244345 N LONG: 104.2083505 W	LAT: 32.5298605' N LONG: 104.1822616' W	same is true and correct to the best of my belief.
0 S (B)	72		11/18/2021 Date of Survey Signature and Seal of Brown Survey
5.00' (		33 <u>2433 _ 2</u> S.L.	Signature and Seal of Profesional Survent
264		7	19680
5.24" N		281	19680
V 00'36	B.H.	7.003	Certificate Number
	24 CV	A CONTRACTOR OF THE CONTRACTOR	
A)	N 89'45'13" E 2638.79' ( N 89'43'38" E 2640.16	' (K) N 89°45'28" E 2642.84' (1) N 89°57'04" E 2643.99' (	Job No: LS21111205

# TRACT OWNERSHIP OVERLORD 33-32 W0NM FED COM #1H Section 33 (S/2SW/4) & Section 32 (S/2S/2), T20S, R28E Eddy County, New Mexico

### Section 33 (S/2SW/4) & Section 32 (S/2S/2) Wolfcamp Formation:

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	% Leasehold Interest 89.057910%
* Devon Energy Production Company, L.P. 333 W. Sheridan Ave. Oklahoma City, OK 73102	5.033153%
*OXY USA Inc. P.O. Box 4294 Houston, Texas 77210-4294	3.472223%
*EOG Resources Inc. 5509 Champions Drive Midland, TX 79706	0.903250%
*SEP Permian LLC 920 Memorial City Way, STE 1000 Houston, TX 77024	0.815878%
*Vladin LLC 105 South Fourth Street Artesia, NM 88210	0.347222%
Conoco Phillips Company 600 West Illinois Avenue Midland, TX 79701	0.213117%
*TR Oil Corporation 3100 Sycamore Road Dekalb, IL 60115	0.145150%
*Graine, LLC 2608 W Dengar Ave. Midland, TX 79705	0.012097%
	100.000000%

\* Total interest being pooled: 10.942090%

#### OWNERSHIP BY TRACT

S/2SW/4 Sec. 33	(80 Acres)	:
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Mewbourne Oil Company, et al
500 West Texas, Ste. 1020
Midland, Texas 79701

\*OXY USA Inc.
P.O. Box 4294
Houston, Texas 77210-4294

\* Devon Energy Production Company, L.P.
333 W. Sheridan Ave.

100.000000%

### S/2SE/4 Sec. 32 (80 Acres):

Oklahoma City, OK 73102

% Leasehold Interest 81.213050% Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701 \*EOG Resources Inc. 5.419500% 5509 Champions Drive Midland, TX 79706 \*SEP Permian LLC 4.895270% 920 Memorial City Way, STE 1000 Houston, TX 77024 \*OXY USA Inc. 4.166670% P.O. Box 4294 Houston, Texas 77210-4294 \*Vladin LLC 2.083330% 105 South Fourth Street Artesia, NM 88210 \*COG Operating LLC 1.278700% 600 West Illinois Avenue Midland, TX 79701 \*TR Oil Corporation 0.870900% 3100 Sycamore Road Dekalb, IL 60115

\*Graine, LLC 2608 W Dengar Ave. Midland, TX 79705 0.072600%

100.000000%

### S/2SW/4 Sec. 32 (80 Acres):

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701 % Leasehold Interest 100.000000%

\* Denotes person being pooled.