CASE NO. 23768

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

EXHIBIT LIST

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

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 23768

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of the S½ of Section 10 and the S½ of Section 11, 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 S½ of Section 10 and the S½ of Section 11 (containing 640 acres), and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill (a) the Seabass 10/11 Fed. Com. Well No. 526H, with a first take point in the NW¼SW¼ of Section 10 and a last take point in the NE¼SE¼ of Section 11, and (b) the Seabass 10/11 Fed. Com. Well No. 528H, with a first take point in the SW¼SW¼ of Section 10 and a last take point in the SE¼SE¼ of Section 11, to depths sufficient to test the Bone Spring formation, and to dedicate the S½ of Section 10 and the S½ of Section 11 to the wells.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S½ of Section 10 and the S½ of Section 11 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 wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests.

EXHIBIT

Therefore, applicant seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying $S\frac{1}{2}$ of Section 10 and the $S\frac{1}{2}$ of Section 11, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the $S\frac{1}{2}$ of Section 10 and the $S\frac{1}{2}$ of Section 11 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 (Sand Tank; Bone Spring Pool/Pool Code 96832) underlying the S½ of Section 10 and the S½ of Section 11;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, equipping, and testing the wells, and allocating the cost among the wells' 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, equipping, and testing the well in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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 non-standard horizontal spacing unit comprised of the S/2 of Section 10 and the S/2 of Section 11, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to (a) the Seabass 10/11 Fed. Com. Well No. 526H, with a first take point in the NW/4SW/4 of Section 10 and a last take point in the NE/4SE/4 of Section 11, and (b) the Seabass 10/11 Fed. Com. Well No. 528H, with a first take point in the SW/4SW/4 of Section 10 and a last take point in the SE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, equipping, and testing the wells and the allocation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, equipping, and testing the wells. The unit is located approximately 6-1/2 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 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 23768

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 application.
- 3. The purpose of this application is (a) to force pool uncommitted working interest owners into the non-standard Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
- 4. In this case Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of the S/2 of Section 10 and the S/2 of Section 11, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to (a) the Seabass 10/11 Fed. Com. Well No. 526H, with a first take point in the NW/4SW/4 of Section 10 and a last take point in the NE/4SE/4 of Section 11, and (b) the Seabass 10/11 Fed. Com. Well No. 528H, with a first take point in the SW/4SW/4 of Section 10 and a last take point in the SE/4SE/4 of Section 11. Approval of the non-standard spacing unit is being sought administratively.
 - 5. There is no depth severance in the Bone Spring formation.
- 6. A plat outlining the unit being pooled is submitted as Attachment A. Forms C-102 for the wells are 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.

EXHIBIT Z

- 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.
- 9. Attachment C contains a copy of the proposal letter sent to the interest owners being pooled. It also contains a summary of communications with the parties. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed wells.
- 10. Attachment D contains the Authorizations for Expenditure for the proposed wells. The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- 11. 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.
- 12. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.
 - 13. Mewbourne requests that it be designated operator of the wells.
- 14. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 15. 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: 9/5/2023

Brad Dunn

BH BHL SEABASS 10-11 FED COM #528H (B2MP SEABASS 10-11 FED COM #526H (B2LI) & SEABASS 10-11 FED COM #528H (B2MP) S/2 of Sections 10 & 11, T18S, R29E EDDY COUNTY, NM 10 SEABASS 10-11 FED COM #526H (B2LI) 6

ATTACHMENT /

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

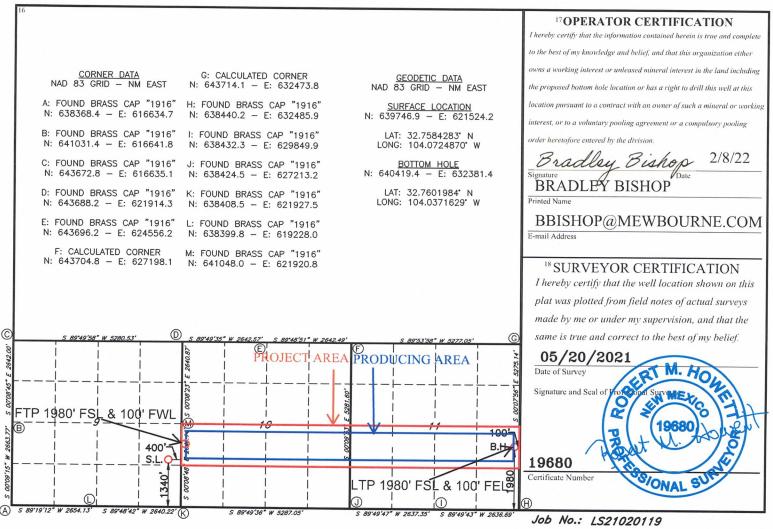
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-50124	² Pool Code 96832	SAND TANK; BO	
⁴ Property Code 333504		erty Name	⁶ Well Number 1 H
70GRID NO. 14744		rator Name OIL COMPANY	9Elevation 3486'

UL or lot no. Section Range Township Lot Idn Feet from the North/South line Feet From the East/West line County Ι 9 **18S** 29E 1340 SOUTH 400 EAST **EDDY** 11 Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Feet from the Lot Idn North/South line Feet from the East/West line County 11 **18S** 29E 1980 SOUTH 100 EAST **EDDY** 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 320

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.



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 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

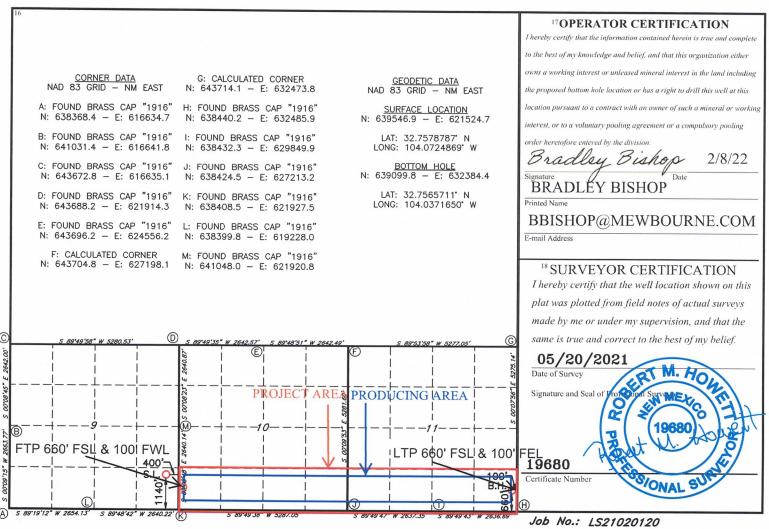
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-501	API Number	r		² Pool Code 96832	- 1	SAN	D TANK; BC	ne ONE SPRINC	j
⁴ Property Co 333501	de			SEABAS	5 Property S 10/11	y Name B2MP FED C	OM		⁶ Well Number 1H
70GRID NO. 14744 MEWB			8 Operator Name BOURNE OIL COMPANY				9Elevation 3486 '		
					10 Surfac	e Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County

18S 29E 1140 SOUTH 400 EAST **EDDY** 11 Bottom Hole Location If Different From Surface

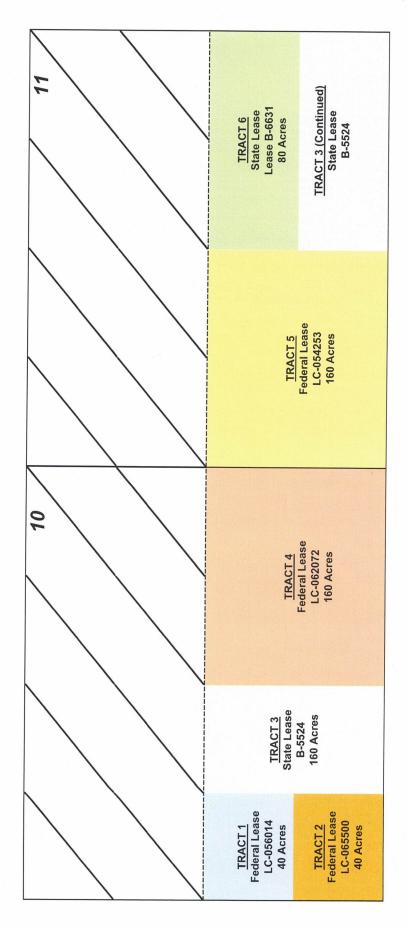
UL or lot no.	Section	Townshi	ip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	18S	29E		660	SOUTH	100	EAST	EDDY
12 Dedicated Acres	13 Joint	or Infill	14 Consolidat	on Code 15	Order No.			40.000.000.000	
320									

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.



RECAPITITALTION

11 Fed Com #528H (B2MP)	Percentage of Interest	In Communitized Area	6.250000%	6.250000%	25.000000%	25.000000%	25.000000%	12.500000%	100.00000%
Seabass 10/11 Fed Com #526H (B2LI) & Seabass 10/11 Fed Com #528H (B2MP)	Nimbor of Acres Committee	Mailine of Acres collinitied	40.00	40.00	160.00	160.00	160.00	80.00	640.00
Seabass 10/11 F	Tract Number		1	2	3	4	5	9	TOTAL



ATTACHMENT

TRACT OWNERSHIP

Seabass 10/11 Fed Com #526H (B2LI) & Seabass 10/11 Fed Com #528H (B2MP) Sections 10 (S/2) & 11 (S/2), T18S, R29E Eddy County, New Mexico

Sections 10 (S/2) & 11 (S/2) Bone Spring formation:

Mewbourne Oil Company, et al

% Leasehold Interest

94.312500%

*WPX Energy Permian, LLC

5.687500%

100.000000%

OWNERSHIP BY TRACT

W/2SW/4 Section 10 (80 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

NE/4SW/4 Section 10 (40 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

9.000000%

* WPX Energy Permian, LLC

91.000000%

100.000000%

SE/4SW/4 Section 10 (40 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

^{*} Total interest being pooled: 5.687500%

SE/4 Section 10 (160 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest 100.000000%

100.000000%

SW/4 Section 11 (160 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

N/2SE/4 Section 11 (80 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

S/2SE/4 Section 11 (80 Acres):

Mewbourne Oil Company, et al

% Leasehold Interest

100.000000%

100.000000%

<u>Summary of Communications</u> SEABASS 10/11 FED COM #526H (B2LI) & SEABASS 10/11 FED COM #528H (B2MP)

WPX Energy Permian, LLC

- 1) 12/28/222: Email correspondence with Andy Bennett discussing WPX's intentions with their interest. WPX didn't want to participate in the original N2 wells of this unit. They said most likely they will evaluate and potentially participate under the pooling order whenever we drill S2 wells within this unit which is where their interest resides.
- 2) 7/6/2023: Well proposal letter with AFEs are sent via certified mail.
- 3) 7/10/2023: Certified mail delivery confirmation to recipient.
- 4) 8/28/2023: No response from owner. Nothing has been signed.

ATTACHMENT C

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

July 6, 2023

Via Certified Mail

WPX Energy Permian, LLC 333 W. Sheridan Ave. Oklahoma City, Oklahoma 73102 Attn: Permian Land Manager

Re: Proposed Horizontal Bone Spring Well SEABASS 10/11 FED COM #523H (B2EH) SEABASS 10/11 FED COM #526H (B2LI) SEABASS 10/11 FED COM #528H (B2MP) Sections 10 & 11, T18S-R29E Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1280.00 acre Working Interest Unit ("WIU"), covering all of the captioned Sections 10 & 11, for oil and gas production. The targeted interval for the proposed unit is the Bone Spring formation. Mewbourne as Operator hereby proposes to drill the following horizontal Bone Spring wells:

- SEABASS 10/11 FED COM #523H (B2EH) will have a surface location 1500' FNL & 100' FWL in the captioned Section 10, and a bottom hole location approximately 1980' FNL & 100' FEL in the captioned Section 11. We anticipate drilling to an approximate total vertical depth of 7,650' and an approximate total measured depth of 18,200'. The N2 of Section 10 and the N2 of Section 11 will be dedicated to the well as the proration unit.
- SEABASS 10/11 FED COM #526H (B2LI) will have a surface location 1340' FSL & 400' FEL in Section 9, T18S, R29E and a bottom hole location approximately 1980' FSL & 100' FEL in the captioned Section 11. We anticipate drilling to an approximate total vertical depth of 7,700' and an approximate total measured depth of 18,300'. The S2 of Section 10 and the S2 of Section 11 will be dedicated to the well as the proration unit.
- SEABASS 10/11 FED COM #528H (B2MP) will have a surface location 1140' FSL & 400' FEL in Section 9, T18S, R29E and a bottom hole location approximately 660' FSL & 100' FEL in the captioned Section 11. We anticipate drilling to an approximate total vertical depth of 7,750' and an approximate total measured depth of 18,300'. The S2 of Section 10 and the S2 of Section 11 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling are our AFEs for the captioned proposed wells. In the event your firm elects to participate in the proposed well, please execute the enclosed AFE and return it to me within thirty (30) days.

Our proposed Operating Agreement will have COPAS rates of \$8,000/month while drilling, \$800/month for a producing well. Should you wish to participate, please email me at bdunn@mewbourne.com and I will promptly email you a copy of the Seabass 10/11 Operating Agreement dated May 15, 2021, for your review.

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

Sincerely,

MEWBOURNE OIL COMPANY

Brad Dunn

Petroleum Landman

July 10, 2023

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8361 0544 0045 7839 01**.

Item Details

Status:

Delivered to Agent for Final Delivery

Status Date / Time:

July 10, 2023, 7:58 am

Location:

OKLAHOMA CITY, OK 73102

Postal Product:

First-Class Mail®

Extra Services:

Certified Mail™

Return Receipt Electronic

Recipient Name:

Permian Land Manager

Recipient Signature

Signature of Recipient: (Authorized Agent)

Address of Recipient:

Bento lupea 343 y Sheridan

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

> Permian Land Manager WPX energy Permian LLC 333 W. Sheridan Ave. Oklahoma City, OK 73102 Reference #: Seabass

MEWBOURNE OIL COMPANY

Location: SL: 1140 FSL & 400 FEL (9); BHL: 660 FSL & 100 FEL (11) Sec. 10 Blk: Survey: TWP: 1 INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drlg / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation	County: RN	G: 29E Prop. TV DE TCP 0100 \$20,000 0105 \$50,000 0106 \$200,000	/D: 7750 CODE 0 0180-0200 0 0180-0205	ST: NM TMD: 18300
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling Let 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0 0180-0 0180-0 0180-0 0180-0	DE TCP 0100 \$20,000 0105 \$50,000 0106 \$200,000	CODE 0 0180-0200	TMD: 18300
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling Let 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0 0180-0 0180-0 0180-0 0180-0	DE TCP 0100 \$20,000 0105 \$50,000 0106 \$200,000	CODE 0 0180-0200	
Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drlg / 3 days comp @ \$28000/d Trough 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0 0180-0 0180-0 0180-0	0100 \$20,000 0105 \$50,000 0106 \$200,000	0 0180-0200	CC
Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling Liel Liel Liel Liel Liel Liel Liel Liel	0180-0 0180-0 0180-0 0180-0	0105 \$50,000 0106 \$200,000		
Location / Restoration Daywork / Turnkey / Footage Drilling Liel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0 0180-0 0180-0	0106 \$200,000		005
Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0 0180-0			\$35,
-uel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services	0180-0	11 HI \$777 500	0 0180-0206	\$75,
Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services			0 0180-0210	\$89, \$241,
Mud - Specialized Horizontal Drillout Services	11 U 18U-0		0180-0214	\$63,
Horizontal Drillout Services	0180-0			Ψ03,
	0180-0			
Stimulation Toe Preparation		1	0180-0222	\$200,
			0180-0223	\$40,0
Cementing	0180-0	125 \$140,000	0180-0225	\$50,0
ogging & Wireline Services	0180-0	34,000	0180-0230	\$377,0
Casing / Tubing / Snubbing Services	0180-0	\$30,000	0180-0234	\$15,0
Mud Logging Stimulation 51 Stg. 20.2 MM gal / 25.3 MM lb	0180-0	137 \$15,000		
Stimulation 51 Stg 20.2 MM gal / 25.3 MM lb			0180-0241	\$3,033,0
			0180-0242	\$232,0
Vater & Other 100% FW f/ Mesquite @ \$0.85/bbl	0180-0		0180-0245	\$435,0
nspection & Repair Services	0180-0		0180-0248	
Aisc. Air & Pumping Services	0180-0		0180-0250	\$5,0
esting & Flowback Services	0180-0		0180-0254	\$10,0
Completion / Workover Rig	0180-0	158 \$12,000	0180-0258	\$20,0
Rig Mobilization	0180-0	164 6450 000	0180-0260	\$10,
ransportation				* 50.4
Velding, Construction & Maint. Services	0180-0 0180-0		0180-0265	\$50,0
Contract Services & Supervision	0180-0		0180-0268	\$16,5 \$70,0
pirectional Services Includes Vertical Control	0180-0			\$70,0
quipment Rental	0180-0		0180-0280	\$33,0
Vell / Lease Legal	0180-0		0180-0280	\$33,0
Vell / Lease Insurance	0180-0		0180-0285	
ntangible Supplies	0180-0		0180-0288	\$1,0
amages	0180-0		0180-0290	\$10,0
ipeline Interconnect, ROW Easements	0180-01		0180-0292	\$5,0
ompany Supervision	0180-01	195 \$104,400	0180-0295	\$36,0
verhead Fixed Rate	0180-01	196 \$10,000	0180-0296	\$20,0
ontingencies 5% (TCP) 5% (CC)	0180-01	199 \$151,800	0180-0299	\$258,6
ATOT	AL	\$3,187,200		\$5,431,3
TANGIBLE COSTS 0181				
asing (19.1" – 30")	0181-07	793		
asing (10.1" – 19.0") 300' - 13 3/8" 54.5# J-55 ST&C @ \$58.21/ft	0181-07	794 \$18,700		
asing (8.1" - 10.0") 1125' - 9 5/8" 40# HCL80 LT&C @ \$56.93/ft	0181-07	795 \$68,400		
asing (6.1" – 8.0") 7000' - 7" 29# HPP110 BT&C @ \$51.82/ft	0181-07			
asing (4.1" - 6.0") 11500' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.55/ft			0181-0797	\$362,9
ubing 6750' - 2 7/8" 6.5# L-80 IPC Tbg @ \$19/ft			0181-0798	\$137,0
rilling Head	0181-08	\$50,000		
ubing Head & Upper Section			0181-0870	\$30,0
orizontal Completion Tools Completion Liner Hanger			0181-0871	\$75,0
ubsurface Equip. & Artificial Lift			0181-0880	\$25,0
ervice Pumps (1/2) TP/CP/Circ pump torage Tanks (1/2) (4)OT/(3)WT/(1)GB	-		0181-0886	\$16,0
(/(-)(-)(-)			0181-0890	\$142,0
missions Control Equipment (1/2) (2)VRT/(1)VRU/(1)FLARE/(3)KO/(1)AIR eparation / Treating Equipment (1/2) (2)H SEP/(1)V SEP/(2)VHT	_		0181-0892	\$138,0
utomation Metering Equipment (1/2) (2)H SEP/(1)V SEP/(2)VH1	_		0181-0895	\$77,0
il/Gas Pipeline-Pipe/Valves&Misc Gas Line & GL Injection			0181-0898	\$90,0
/ater Pipeline-Pipe/Valves & Misc			0181-0900 0181-0901	\$41,0 \$14,0
n-site Valves/Fittings/Lines&Misc			0181-0901	\$14,0
ellhead Flowlines - Construction			0181-0906	\$200,0
athodic Protection			0181-0907	φ30,0
ectrical Installation			0181-0909	\$236,0
quipment Installation			0181-0910	\$150,0
il/Gas Pipeline - Construction			0181-0920	\$46,0
ater Pipeline - Construction			0181-0921	\$11,0
TOTA	AL	\$524,500		\$1,826,9
SUBTOTA	AL	\$3,711,700		\$7,258,2
TOTAL WELL COST		\$10.9	69,900	
tra Expense Insurance		hare of the premium imated in Line Item 0180)-0185.	ge in market
I elect to be covered by Operator's Extra Expense Insurance and pay my prop Operator has secured Extra Expense Insurance covering costs of well control, clean up and re I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Opera conditions. Prepared by: Ryan McDaniel Da	ator reserves to	he right to adjust the rate		
I elect to purchase my own well control insurance policy. If lect to purchase my own well control insurance policy. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Opera conditions. Prepared by: Ryan McDaniel Da	ator reserves to	he right to adjust the rate		
I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Opera conditions.	ator reserves to	he right to adjust the rate		
I elect to purchase my own well control insurance policy. If lect to purchase my own well control insurance policy. Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Opera conditions. Prepared by: Ryan McDaniel Da	ator reserves the	he right to adjust the rate		

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Sec. 10 Blk: Survey: TWP: 18S INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drlg / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation Cementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation To Preparation Stimulation Rentals & Other Water & Other 100% FW f/ Mesquite @ \$0.85/bbl 8its Inspection & Repair Services Misc. Air & Pumping Services Completion / Workover Rig Rig Mobilization Transportation Welding, Construction & Maint. Services Contract Services & Supervision Directional Services Includes Vertical Control Equipment Rental Well / Lease Legal Well / Lease Legal Well / Lease Insurance Interconnect, ROW Easements Company Supervision Output Description Company Supervision	CODE 0180-0100 0180-0100 0180-0100 0180-0110 0180-0110 0180-0121 0180-0121 0180-0130 0180-0130 0180-0130 0180-0145 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150 0180-0150	29E Prop. TV TCP 0 \$20,00 \$50,00 \$50,00 \$184,10 \$184,10 \$250,000 \$140,000 \$34,000 \$34,000 \$15,000 \$15,000 \$12,000 \$150,000 \$30,000 \$4,000	CODE 0 0180-0200 0 1080-0205 0 0180-0214 0 1080-0225 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0234 0 0180-0234 0 0180-0241 0 1080-0241 0 1080-0245 0 0180-0245 0 0180-0254 0 0180-0255	ST: NM TMD: 18300 CC \$35,0 \$75,0 \$89,7 \$241,0 \$63,0 \$40,0 \$50,0 \$377,0 \$15,0 \$435,0 \$5,0 \$5,0 \$10,0 \$20,0 \$20,0 \$20,0 \$10,5
Sec. 10 Blk: Survey: TWP: 18S INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drig / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation Cementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation 51 Stg 20.2 MM gal / 25.3 MM lb Stimulation Rentals & Other Water & Other 100% FW f/ Mesquite @ \$0.85/bbl 8its Inspection & Repair Services Completion / Workover Rig Rig Mobilization Transportation Welding, Construction & Maint. Services Contract Services & Supervision Directional Services Includes Vertical Control Coultract Services & Supervision Directional Services Contract Services & Supervision Directional Services Includes Vertical Control Coultract Services Includes Vertical Control Coultract Services Row Easements Damages Pipeline Interconnect, ROW Easements Company Supervision	RNG: CODE 0180-0100 0180-0100 0180-0100 0180-0114 0180-0125 0180-0125 0180-0130 0180-0134 0180-0145 0180-0148 0180-0154 0180-0164 0180-0168 0180-0168 0180-0169 0180-0170 0180-0170	29E Prop. TV TCP 0 \$20,00 \$50,00 \$50,00 \$184,10 \$184,10 \$250,000 \$140,000 \$34,000 \$34,000 \$15,000 \$15,000 \$12,000 \$150,000 \$30,000 \$4,000	CODE 0 0180-0200 0 1080-0205 0 0180-0214 0 1080-0225 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0234 0 0180-0234 0 0180-0241 0 1080-0241 0 1080-0245 0 0180-0245 0 0180-0254 0 0180-0255	TMD: 18300 CC \$35,0 \$75,0 \$89,7 \$241,0 \$63,0 \$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,00 \$20,00
INTANGIBLE COSTS 0180 Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drig / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal (Alternate Fuels 1700 gal/	0180-0105 0180-0105 0180-0105 0180-0110 0180-0111 0180-0112 0180-0121 0180-0123 0180-0130 0180-0130 0180-0130 0180-0145 0180-0158 0180-0158 0180-0168 0180-0168 0180-0169 0180-0170 0180-0170	\$20,000 \$200,000 \$150,000 \$150,000 \$30,000 \$4,000 \$4,000 \$4,000 \$34,000 \$34,000 \$550	CODE 0 0180-0200 0 1080-0205 0 0180-0214 0 1080-0225 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0221 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0223 0 0180-0234 0 0180-0234 0 0180-0241 0 1080-0241 0 1080-0245 0 0180-0245 0 0180-0254 0 0180-0255	\$200,0 \$35,0 \$75,0 \$89,7 \$241,0 \$63,0 \$40,0 \$50,0 \$15,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,00 \$20,00
Regulatory Permits & Surveys Location / Road / Site / Preparation Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud, Specialized Horizontal Drillout Services Stimulation Toe Preparation Cementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation 51 Stg 20.2 MM gal / 25.3 MM lb Stimulation Rentals & Other Nater & Other 100% FW ff Mesquite @ \$0.85/bbl Stimulation & Financy Flowback Services Misc. Air & Pumping Services Completion / Workover Rig Rig Mobilization Fansportation Velding, Construction & Maint, Services Completion / Sources Sources Legal Vell / Lease Legal Vell / Lease Legal Vell / Lease Insurance Intangible Supplies Jamages Jamages Jamages Jamages Jamagen Journal Servicion Journal Servicion Journal Services Journal Maint Services Journal Services Journal Med Journal Services Journal	0180-0100 0180-0100 0180-01100 0180-01110 0180-01121 0180-0121 0180-0121 0180-0121 0180-0130 0180-0130 0180-0134 0180-0150 0180-0154 0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0169 0180-0169 0180-0170	\$20,00 \$50,00 \$200,00 \$777,50 \$184,10 \$40,00 \$250,00 \$34,00 \$34,00 \$15,00 \$55,00 \$12,00 \$30,00 \$12,00 \$30,00 \$40,00	0 0180-0200 0 0180-0205 0 0180-0205 0 0180-0206 0 0180-0214 0 0180-0215 0 0180-0221 0 0180-0221 0 0180-0223 0 0180-0233 0 0180-0234 0 0180-0234 0 0180-0242 0 0180-0245 0 0180-0255 0 0180-0255 0 0180-0255 0 0180-0256	\$35,0 \$75,0 \$89,7 \$241,0 \$63,0 \$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$435,0 \$45,0 \$50,0 \$220,0
Location / Road / Site / Preparation Location / Restoration Daywork / Turnkey / Footage Drilling Location / Restoration Daywork / Turnkey / Footage Drilling Location / Restoration Daywork / Turnkey / Footage Drilling Location / Restoration Latternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation Locating Location / Road / Site / Preparation Location / Road / Site / Road / Site / Road / Site / Road / Site / Road	0180-0108 0180-0106 0180-0110 0180-01110 0180-01121 0180-0121 0180-0122 0180-0121 0180-0130 0180-0130 0180-0134 0180-0148 0180-0150 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154 0180-0154	\$50,00 \$200,00 \$777,50 \$184,10 \$40,00 \$250,00 \$140,00 \$34,00 \$34,00 \$15,00 \$15,00 \$12,00 \$150,00 \$30,00 \$40,00	0 0180-0205 0 0180-0206 0 0180-0210 0 0180-0210 0 0180-0215 0 0180-0220 0 180-0221 0 180-0222 0 180-0223 0 180-0235 0 0180-0234 0 180-0241 0 180-0242 0 180-0245 0 180-0255 0 0180-0255 0 0180-0256 0 180-0256	\$75,0 \$89,7 \$241,0 \$63,0 \$200,0 \$40,0 \$50,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,0
Location / Restoration Daywork / Turnkey / Footage Drilling 26 days drig / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels Mud, Chemical & Additives Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation Dementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation Stimulation Stimulation Rentals & Other Water & Other 100% FW ff Mesquite @ \$0.85/bbl Sits Inspection & Repair Services Completion / Workover Rig Rig Mobilization Transportation Velding, Construction & Maint, Services Contract Services & Supervision Directional Services Logal Vell / Lease Legal Vell / Lease Legal Vell / Lease Insurance Intangible Supplies Logging Supplies Logging Supplies Logging Alays comp @ \$28000/d Includes Vertical Control Company Supervision Logging Alays comp @ \$28000/d Includes Vertical Control Company Supervision Logging Alays comp @ \$28000/d Logging & Saloys comp @ \$28000/d Logging & Saloys comp @ \$28000/d Logging & Saloys comp @ \$28000/d Logging & Will / Lease Insurance Intangible Supplies Logging Alays comp @ \$28000/d Logging & Saloys comp @ \$28000/d Logging & Logging & Logging & Saloys comp @ \$28000/d Logging & Logg	0180-0108 0180-0110 0180-0114 0180-0112 0180-0120 0180-0121 0180-0125 0180-0130 0180-0137 0180-0145 0180-0158 0180-0165 0180-0166 0180-0168 0180-0169 0180-0169 0180-0169 0180-0169 0180-0169 0180-0169 0180-0169 0180-0169 0180-0170	\$200,00 \$777,50 \$184,10 \$40,00 \$250,00 \$140,00 \$34,00 \$30,00 \$15,00 \$15,00 \$12,00 \$150,00 \$30,00 \$4,00	0 0180-0206 0 0180-0210 0 0180-0214 0 0180-0215 0 0180-0224 0 180-0222 0 180-0223 0 180-0223 0 180-0223 0 180-0230 0 180-0230 0 180-0230 0 180-0230 0 180-0230 0 180-0230 0 180-0230 0 180-0241 0 180-0242 0 180-0245 0 180-0258 0 180-0254	\$75,0 \$89,7 \$241,0 \$63,0 \$200,0 \$40,0 \$50,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,00
Daywork / Turnkey / Footage Drilling 26 days drlg / 3 days comp @ \$28000/d Fuel 1700 gal/day @ \$3.9/gal Alternate Fuels 1700 gal/day @ \$3.9/gal Alternate Fuel	0180-0110 0180-0114 0180-0115 0180-0120 0180-0120 0180-0123 0180-0130 0180-0130 0180-0134 0180-0148 0180-0158 0180-0164 0180-0165 0180-0168 0180-0160 0180-0160 0180-0160 0180-0160 0180-0160	\$777,50 \$184,10 \$40,00 \$250,00 \$140,00 \$34,00 \$30,00 \$15,00 \$50,00 \$12,00 \$30,00 \$30,00 \$4,00	0 0180-0210 0 0180-0214 0180-0215 0 0180-0221 0 180-0222 0 180-0223 0 180-0223 0 180-0223 0 180-0230 0 180-0230 0 180-0234 0 180-0241 0 180-0241 0 180-0245 0 180-0245 0 0180-0254 0 0180-0254 0 180-0254 0 180-0258 0 180-0256	\$89,7 \$241,0 \$63,0 \$200,0 \$440,0 \$50,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,0
Fuel 1700 gal/day @ \$3.9/gal	0180-0114 0180-0115 0180-0120 0180-0121 0180-0121 0180-0130 0180-0130 0180-0148 0180-0158 0180-0164 0180-0165 0180-0168 0180-0168 0180-0170 0180-0170	\$184,100 \$250,000 \$140,000 \$34,000 \$15,000 \$15,000 \$15,000 \$15,000 \$12,000 \$30,000 \$4,000	0 0180-0214 0180-0215 0 0180-0220 0 180-0221 0 180-0222 0 180-0223 0 180-0223 0 180-0230 0 180-0234 0 180-0241 0 180-0242 0 180-0245 0 180-0254 0 180-0254 0 180-0254 0 180-0254	\$241,0 \$63,0 \$200,0 \$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,00
Alternate Fuels Mud , Chemical & Additives Mud , Specialized Horizontal Drillout Services Stimulation Toe Preparation Cementing .ogging & Wireline Services Casing / Tubing / Snubbing Services Wud Logging Stimulation 51 Stg 20.2 MM gal / 25.3 MM lb Stimulation Rentals & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl 00 Sits 100% FW f/ Mesquite @ \$0.85/bbl 00 S	0180-0115 0180-0121 0180-0121 0180-0121 0180-0130 0180-0134 0180-0145 0180-0150 0180-0164 0180-0168 0180-0168 0180-0169 0180-0169 0180-0169 0180-0169 0180-0170	\$40,000 \$250,000 \$140,000 \$34,000 \$15,000 \$35,000 \$50,000 \$12,000 \$30,000 \$30,000 \$4,000	0180-0215 0 0180-0220 0 180-0221 0180-0222 0180-0223 0 180-0223 0 0180-0230 0 0180-0234 0 0180-0241 0180-0242 0 180-0245 0 180-0254 0 0180-0258 0 0180-0258	\$63,0 \$200,0 \$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$435,0 \$10,0 \$10,0 \$20,0
Mud - Specialized Horizontal Drillout Services Stimulation Toe Preparation Cementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation Stage 20.2 MM gal / 25.3 MM lb Stimulation Rentals & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl Sits anspection & Repair Services Misc. Air & Pumping Services Cesting & Flowback Services Completion / Workover Rig Rig Mobilization Transportation Velding, Construction & Maint. Services Contract Services & Supervision Directional Services Includes Vertical Control Qualify Lease Legal Vell / Lease Insurance Transports Supplies Logging Supplies Logging Simulation Company Supervision Operation Services Logging Simulation Operation Services Supervision Directional Services Operation Operation Services Op	0180-0121 0180-0125 0180-0130 0180-0137 0180-0137 0180-0148 0180-0158 0180-0158 0180-0165 0180-0165 0180-0160 0180-0170 0180-0170	\$250,000 \$140,000 \$34,000 \$30,000 \$15,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0 0180-0220 0 0180-0221 0180-0222 0180-0223 0 0180-0223 0 0180-0230 0 0180-0234 0 0180-0241 0 0180-0242 0 0180-0245 0 0180-0258 0 0180-0258	\$200,0 \$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,00 \$20,00
Horizontal Drillout Services Stimulation Toe Preparation Cementing Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation Stimulation Stimulation Stimulation Fentals & Other Nater & Other Nater & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl Sits Inspection & Repair Services Misc. Air & Pumping Services Festing & Flowback Services Completion / Workover Rig Rig Mobilization Transportation Velding, Construction & Maint. Services Contract Services & Supervision Directional Services Includes Vertical Control Ciquipment Rental Vell / Lease Legal Vell / Lease Insurance Intangible Supplies Damages Dispeline Interconnect, ROW Easements Company Supervision Openany Supervision	0180-0125 0180-0130 0180-0137 0180-0145 0180-0145 0180-0150 0180-0154 0180-0158 0180-0165 0180-0165 0180-0160 0180-0170 0180-0170	\$140,000 \$34,000 \$30,000 \$15,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0180-0222 0180-0223 0180-0230 0180-0230 0180-0230 0180-0230 0180-0241 0180-0242 0180-0245 0180-0245 0180-0250 0180-0254 0180-0254	\$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,00
Stimulation Toe Preparation Cementing .ogging & Wireline Services .casing / Tubing / Snubbing Services .cusing / Snubbing Services .cusing / Stimulation .cusing / Stimulation .cusing / Stimulation .cusing / Stimulation Rentals & Other .cusing / Snubside (a) Stimulation (b) Stimulation (c) Stim	0180-0130 0180-0134 0180-0145 0180-0145 0180-0150 0180-0154 0180-0154 0180-0154 0180-0165 0180-0166 0180-0168 0180-0169 0180-0169	\$34,000 \$30,000 \$15,000 \$35,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0 180-0223 0 180-0225 0 180-0230 0 180-0234 0 180-0234 0 180-0241 0 180-0242 0 180-0245 0 180-0254 0 180-0254 0 180-0254 0 180-0254	\$40,0 \$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,00
Cementing Deging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation Stimulation Stimulation Rentals & Other Nater & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl Dits Sits Sits Sits Sits Sits Sits Sits S	0180-0130 0180-0134 0180-0145 0180-0145 0180-0150 0180-0154 0180-0154 0180-0154 0180-0165 0180-0166 0180-0168 0180-0169 0180-0169	\$34,000 \$30,000 \$15,000 \$35,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0 0180-0225 0 0180-0230 0 0180-0234 0 0180-0241 0 0180-0242 0 0180-0245 0 0180-0250 0 0180-0254 0 0180-0254	\$50,0 \$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,0 \$20,00
Logging & Wireline Services Casing / Tubing / Snubbing Services Mud Logging Stimulation Stimulation Stimulation Rentals & Other Water & Other Water & Other Water & Other Wisc. Air & Pumping Services Wisc. Air & Pumping Services Completion / Workover Rig Rig Mobilization Transportation Welding, Construction & Maint. Services Contract Services & Supervision Directional Services Supervision Well / Lease Legal Vell / Lease Insurance Intangible Supplies Dempiny Supervision Dempiny Super	0180-0130 0180-0134 0180-0145 0180-0145 0180-0150 0180-0154 0180-0154 0180-0154 0180-0165 0180-0166 0180-0168 0180-0169 0180-0169	\$34,000 \$30,000 \$15,000 \$35,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0 0180-0230 0 0180-0234 0 0180-0241 0 0180-0242 0 0180-0242 0 0180-0248 0 0180-0250 0 180-0254 0 0180-0254	\$377,0 \$15,0 \$3,033,0 \$232,0 \$435,0 \$10,00 \$20,00
Casing / Tubing / Snubbing Services Mud Logging Stimulation Stimulation Stimulation Rentals & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl Casins Provided Repair Services Misc. Air & Pumping Services Casins & Flowback Services Completion / Workover Rig Casins Maint. Services Completion / Workover Rig Casins Casins Repair Services Completion / Workover Rig Casins Casi	0180-0134 0180-0137 0180-0145 0180-0148 0180-0150 0180-0154 0180-0158 0180-0165 0180-0165 0180-0168 0180-0170 0180-0170	\$30,000 \$15,000 \$35,000 \$96,100 \$50,000 \$12,000 \$30,000 \$4,000	0 180-0234 0 180-0241 0 180-0242 0 180-0245 0 180-0248 0 180-0250 0 180-0254 0 180-0254 0 180-0258 0 180-0260	\$15,0 \$3,033,0 \$232,0 \$435,0 \$5,0 \$10,0 \$20,0
### Augustian ##	0180-0137 0180-0145 0180-0148 0180-0150 0180-0158 0180-0168 0180-0168 0180-0168 0180-0170 0180-0175	\$15,000 \$35,000 \$96,100 \$50,000 \$12,000 \$150,000 \$30,000 \$4,000	0 0180-0241 0180-0242 0 0180-0245 0 0180-0248 0 0180-0250 0180-0254 0 0180-0258 0 0180-0260	\$3,033,0 \$232,0 \$435,0 \$5,0 \$10,0 \$20,0
Stimulation 51 Stg 20.2 MM gal / 25.3 MM lb Stimulation Rentals & Other Nater & Other 100% FW f/ Mesquite @ \$0.85/bbl C Sitis nspection & Repair Services 0 Misc. Air & Pumping Services 0 Festing & Flowback Services 0 Completion / Workover Rig 8 Mobilization 0 Fransportation 0 Velding, Construction & Maint. Services 0 Contract Services & Supervision 0 Directional Services Includes Vertical Control 0 Figuipment Rental 0 Vell / Lease Legal 0 Vell / Lease Insurance 0 Intangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Dompany Supervision 0 Dompany Su	0180-0145 0180-0148 0180-0150 0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$35,000 \$96,100 \$50,000 \$12,000 \$150,000 \$30,000 \$4,000	0180-0241 0180-0242 0 0180-0245 0 0180-0248 0 0180-0250 0180-0254 0 0180-0258 0180-0260	\$232,0 \$435,0 \$5,0 \$10,0 \$20,0
Water & Other 100% FW f/ Mesquite @ \$0.85/bbl C Dits 0 Inspection & Repair Services 0 Misc. Air & Pumping Services 0 Cesting & Flowback Services 0 Completion / Workover Rig 0 Rig Mobilization 0 reansportation 0 Velding, Construction & Maint. Services 0 Contract Services & Supervision 0 Directional Services Includes Vertical Control Equipment Rental 0 Vell / Lease Legal 0 Vell / Lease Insurance 0 ntangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0148 0180-0150 0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$96,100 \$50,000 \$12,000 \$150,000 \$30,000 \$4,000	0 180-0242 0 0180-0245 0 0180-0248 0 0180-0250 0 180-0254 0 0180-0258 0 180-0260	\$232,0 \$435,0 \$5,0 \$10,0 \$20,0
Sitis	0180-0148 0180-0150 0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$96,100 \$50,000 \$12,000 \$150,000 \$30,000 \$4,000	0 0180-0248 0 0180-0250 0180-0254 0 0180-0258 0180-0260	\$5,0 \$10,0 \$20,0
Inspection & Repair Services	0180-0150 0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$12,000 \$12,000 \$150,000 \$30,000 \$4,000	0 0180-0250 0180-0254 0 0180-0258 0180-0260	\$10,0 \$20,0
Misc. Air & Pumping Services 0 Festing & Flowback Services 0 Completion / Workover Rig 8 Rig Mobilization 0 Transportation 0 Veldring, Construction & Maint. Services 0 Contract Services & Supervision 0 Directional Services Includes Vertical Control quipment Rental 0 Vell / Lease Legal 0 Vell / Lease Insurance 0 ntangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0154 0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$12,000 \$150,000 \$30,000 \$4,000	0180-0254 0180-0258 0180-0260	\$10,00 \$20,00
Testing & Flowback Services	0180-0158 0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$12,000 \$150,000 \$30,000 \$4,000	0180-0258 0180-0260	\$20,0
Completion / Workover Rig	0180-0164 0180-0165 0180-0168 0180-0170 0180-0175	\$150,000 \$30,000 \$4,000	0180-0260	
Rig Mobilization 0 Fransportation 0 Velding, Construction & Maint. Services 0 Contract Services & Supervision 0 Directional Services Includes Vertical Control Equipment Rental 0 Vell / Lease Legal 0 Vell / Lease Insurance 0 ntangible Supplies 0 Damages 0 Dipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0165 0180-0168 0180-0170 0180-0175	\$30,000 \$4,000		\$10.50
Velding	0180-0165 0180-0168 0180-0170 0180-0175	\$30,000 \$4,000	'II	
Velding, Construction & Maint. Services	0180-0168 0180-0170 0180-0175	\$4,000	0180-0265	\$50,00
Dontract Services & Supervision Other Control	0180-0170 0180-0175		0180-0268	\$16,50
Quipment Rental		\$165,300	0180-0270	\$70,00
Vell / Lease Legal 0 Vell / Lease Insurance 0 ntangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0190 0190	\$437,000		
Well / Lease Insurance 0 ntangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0		\$174,300	0180-0280	\$33,00
Intangible Supplies 0 Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0184	\$5,000		
Damages 0 Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0185		0180-0285	
Pipeline Interconnect, ROW Easements 0 Company Supervision 0	0180-0188		0180-0288	\$1,00
Company Supervision 0	0180-0190 0180-0192	\$10,000	0180-0290	\$10,00
)	0180-0192	\$104,400	0180-0292 0180-0295	\$5,00 \$36,00
	0180-0196	\$10,000		\$20,00
Denting and the second	0180-0199		0180-0299	\$258,60
TOTAL		\$3,187,200		\$5,431,30
TANGIBLE COSTS 0181		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		75,151,55
1 (40.48 000)	0181-0793		1	
Casing (10.1" – 19.0") 300' - 13 3/8" 54.5# J-55 ST&C @ \$58.21/ft 0	0181-0794	\$18,700		
	0181-0795	\$68,400		
	0181-0796	\$387,400		
Casing (4.1" – 6.0") 11500' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$29.55/ft Tubing 6750' - 2 7/8" 6.5# L-80 IPC Tba @ \$19/ft			0181-0797	\$362,90
11.	0101 0000	250.000	0181-0798	\$137,00
ubing Head & Upper Section	0181-0860	\$50,000	0404 0070	#20.00
lorizontal Completion Tools Completion Liner Hanger			0181-0870 0181-0871	\$30,00 \$75,00
ubsurface Equip. & Artificial Lift			0181-0871	\$25,00
Service Pumps (1/2) TP/CP/Circ pump			0181-0886	\$16,00
Storage Tanks (1/2) (4)OT/(3)WT/(1)GB			0181-0890	\$142,00
missions Control Equipment (1/2) (2)VRT/(1)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$138,00
eparation / Treating Equipment (1/2) (2)H SEP/(1)V SEP/(2)VHT			0181-0895	\$77,00
utomation Metering Equipment			0181-0898	\$90,00
il/Gas Pipeline-Pipe/Valves&Misc Gas Line & GL Injection /ater Pipeline-Pipe/Valves & Misc			0181-0900	\$41,00
n-site Valves/Fittings/Lines&Misc			0181-0901	\$14,00
/ellhead Flowlines - Construction			0181-0906 0181-0907	\$200,00
athodic Protection			0181-0907	\$36,00
lectrical Installation			0181-0908	\$236,00
quipment Installation			0181-0910	\$150.00
il/Gas Pipeline - Construction			0181-0920	\$46,00
/ater Pipeline - Construction			0181-0921	\$11,00
TOTAL		\$524,500		\$1,826,90
SUBTOTAL		\$3,711,700		\$7,258,20
		1 - 2-15 - 15 - 2-1	2000 000 0000	ψ7,230,20
tra Expense Insurance I elect to be covered by Operator's Extra Expense Insurance and pay my proportion Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operal Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator res-	rator's well so	of the premium ed in Line Item 018		e in market
conditions,				
Prepared by: Ryan McDaniel Date:	6/29/2023	_		
Company Approval: Date:	6/29/2023		4 = 1	
Date.				

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 No. 23678

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND		
) ss.	
STATE OF TEXAS)	

Charles Crosby deposes and states:

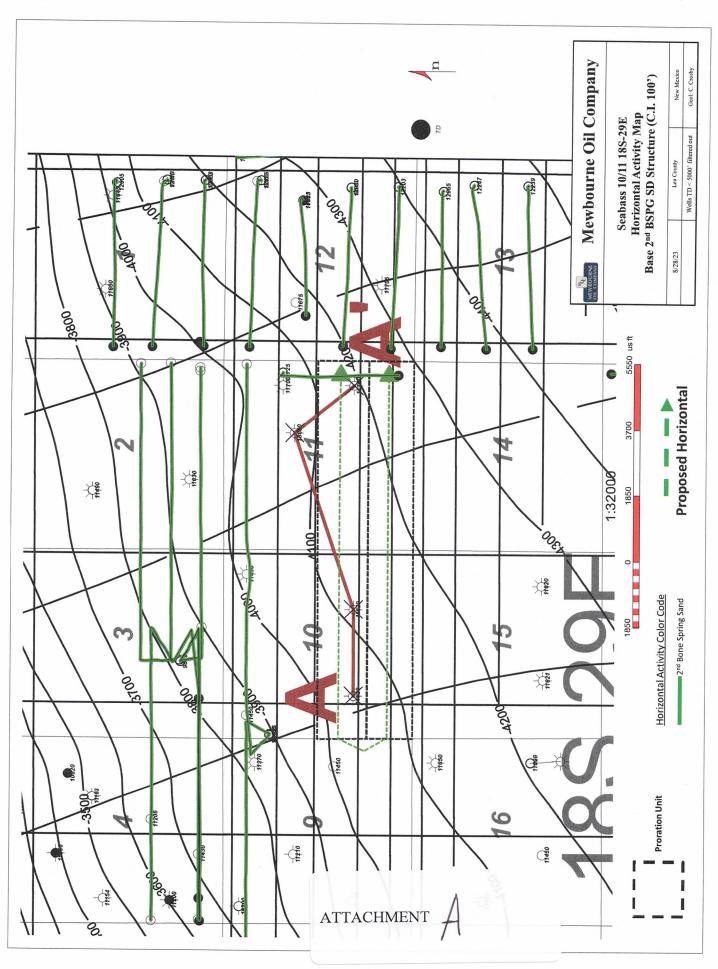
- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in these cases. I have been qualified by the Division as an expert petroleum geologist.
- 3. This case involves the Seabass 10/11 Fed. Com. Well No. 526H and the Seabass 10/11 Fed. Com. Well No. 528H, Second Bone Spring wells in the S/2 of Section 10 and the S/2 of Section 11, Township 18 South, Range 29 East, NMPM.
 - 4. The following geological plats are attached hereto:
 - (a) Attachment A is a structure map on the base of the Second Bone Spring Sand. It shows that structure dips gently to the southeast. It also shows Bone Spring wells in the area, and a line of cross-section.
 - (b) Attachment B is a cross section showing the Second Bone Spring Sand, the target zone for the proposed wells. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well unit.
 - 5. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) The target zone is continuous and of relatively uniform thickness across the well unit.

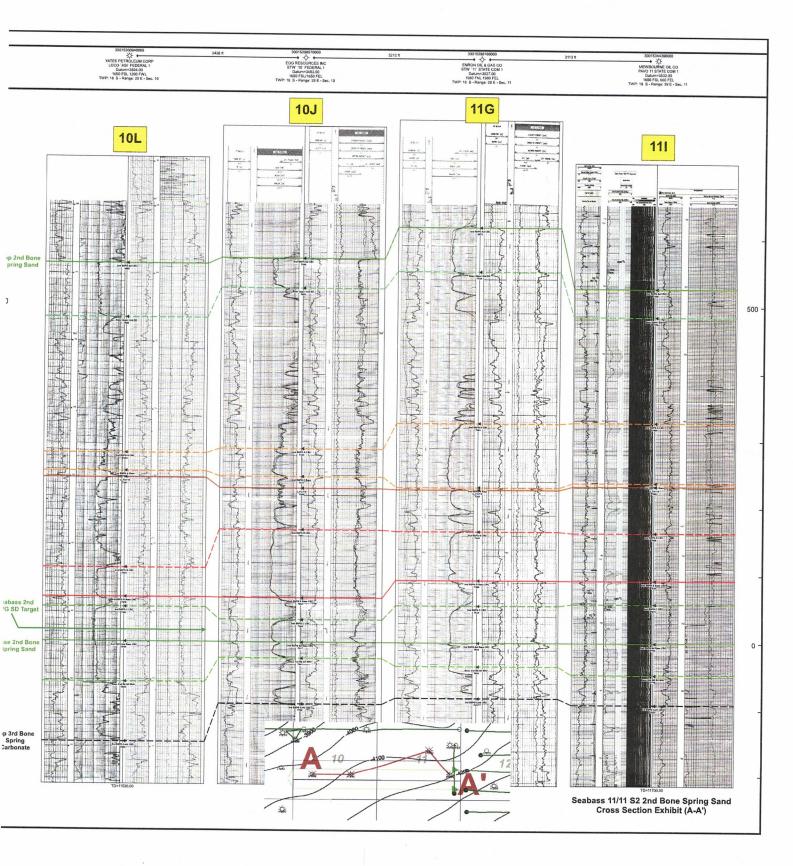
ехнівіт З

- (c) Each quarter-quarter section in the well unit will contribute more or less equally to production.
- (d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.
- 6. Attachment A shows other Second Bone Spring Sand wells drilled in this area. There is a definite preference for laydown wells.
- 7. Attachment C contains Directional Drilling Plans for the proposed wells. The producing intervals of the wells will be orthodox.

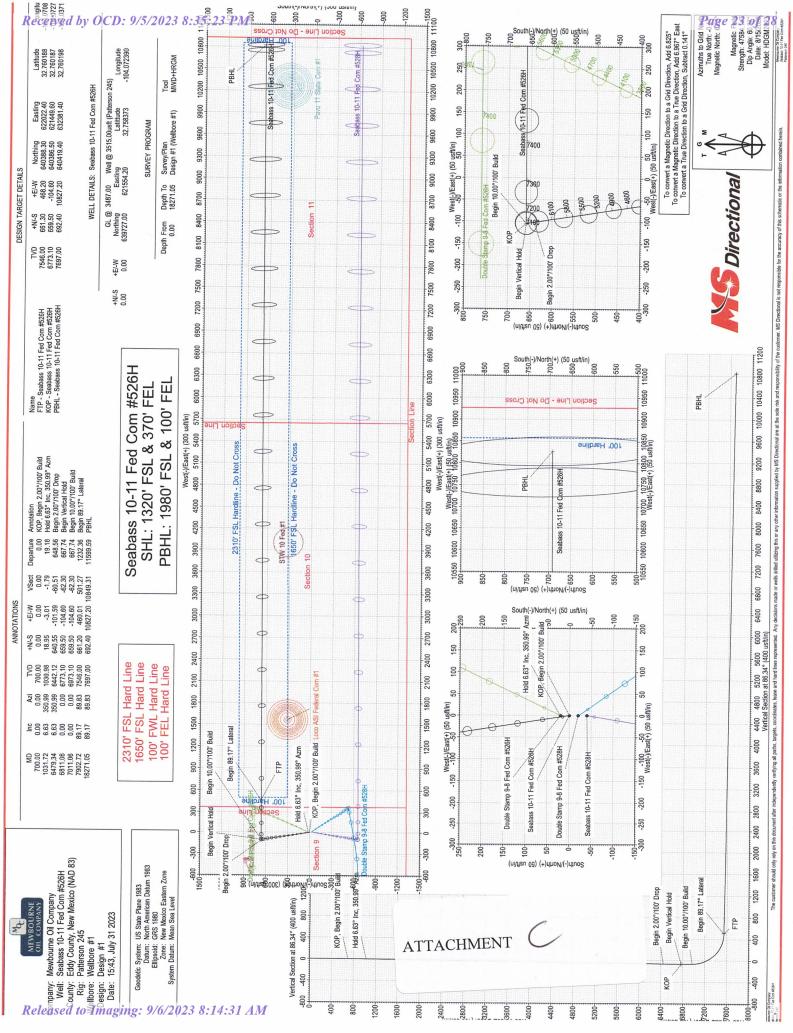
I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 7 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

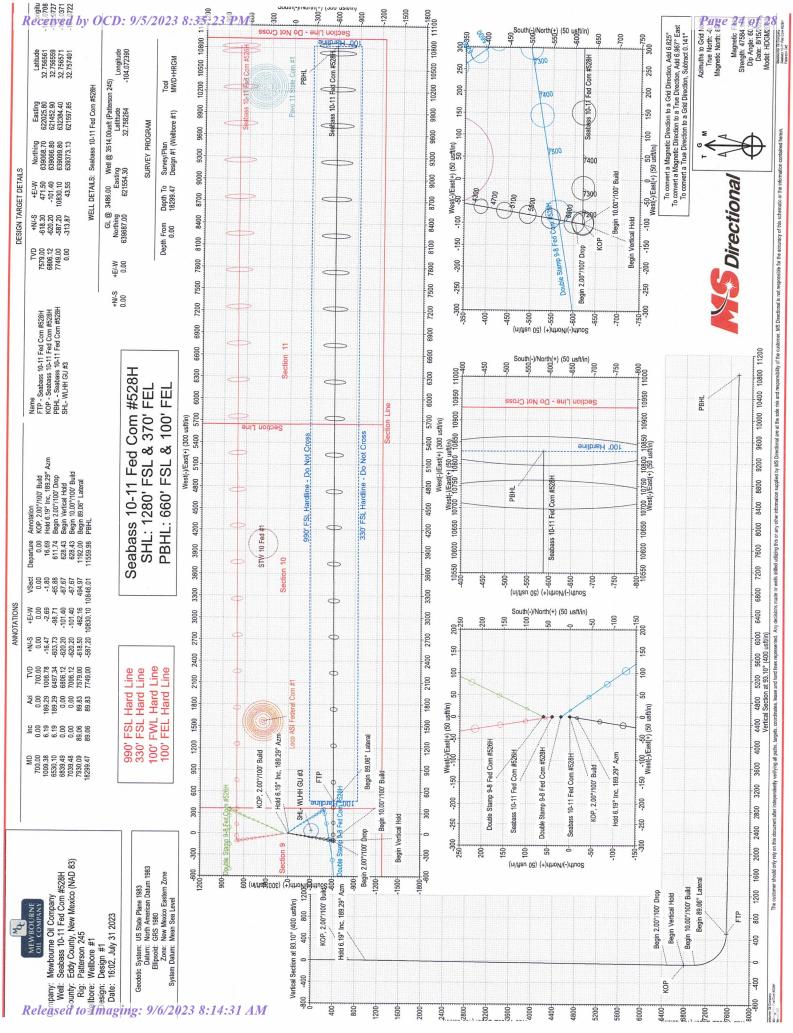
Charles Crosby





ATTACHMENT B





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

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

Case No. 23768

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE)
) ss.
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 Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
- 4. Notice of the application 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.

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:

James Bruce

ATTACHMENT

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

August 17, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company (Case No. 23768), seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a non-standard horizontal spacing unit comprised of the S/2 of Section 10 and the S/2 of Section 11, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to (a) the Seabass 10/11 Fed. Com. Well No. 526H, and (b) the Seabass 10/11 Fed. Com. Well No. 528H.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, September 7, 2023. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to https://www.emnrd.nm.gov/ocd/hearing-info/, or contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov. 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 five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.nm.gov, 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.

Very truly yours,

ournes Brace

Attorney for Mewbourne Oil Company

ATTACHMENT

EXHIBIT A

WPX Energy Permian, LLC 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102

Attention: Andy Bennett

Jean Renfro Barr, Trustee of the Family Trust U/W/O Richard K. Barr 8027 Chalk Knoll Drive Austin, Texas 78735

1,202	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only For delivery information, visit our website	The state of the s
Е	OFFICIAL	USE
980 0000 0600	Certified Mall Fee \$ Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy)	Postmark Here
7020	Sent To WPX Energy Permian, LI Street and Apt. No., or 333 West Sheridan Avenu City, State, ZIP+4* Oklahoma City, Oklahom	na 73102
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

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 mailplace, or on the front if space permits. Article Addressed to:	A Signature A Signature A Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
WPX Energy Permian, LLC 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102	
9590 9402 7635 2122 6452 10	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Registered Mail Restricted Delivery Signature Confirmation Signature Confirmation Signature Confirmation Restricted Delivery
2. Article 1 7020 0090 0000 0863	1