CASE NO. 24049

APPLICATION OF MEWBOURNE OIL COMPANYFOR COMPULSORY POOLING AND APPROVING OVERLAPPING WELL UNITS, EDDY COUNTY, NEW MEXICO

EXHIBITS (REVISED)

- 1. Pooling Checklist
- 2. Landman's Affidavit
 - 2-A: Plat
 - 2-B: Summary of Interests
 - 2-C: Summary of Communications and Proposal Letter
 - 2-D: AFE
- 3. Geologist's Affidavit
 - 3-A: Structure Map
 - 3-B: Isopach
 - 3-C: Production Plat
 - 3-D: Horizontal Drilling Plan
- 4. Affidavit of Mailing
 - 4-A: Notice Letter and Return Receipts (Working Interest)
 - 4-B: Notice Letter and Return Receipts (Overlapping Well Units)
- 5. Affidavit of Publication
- 6. Application and Proposed Notice

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)

jamesbruc@aol.com

March 22, 2024

NOTICE OF FILING A REVISED EXHIBIT PACKAGE

Case No. 24049

This revised exhibit package is filed to include Exhibit 2-D, the AFE for the well, which was omitted from the original exhibit package.

James Bruce

Attorney for Mewbourne Oil Company

COMPULSORY POOLING APPLICATION CHECKLIST		
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24049		APPLICANT'S RESPONSE
Date: March 21, 2024		
Applicant	Mewbourne C	Pil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne O	il Company/OGRID 14744
Applicant's Counsel:	James Bruce	
Case Title:	1	Mewbourne Oil Company for Compulsory Pooling and rlapping Well Units, Eddy County, New Mexico
Entries of Appearance/Intervenors:		
Well Family	Journey 11 Bor	ne Spring Wells
Formation/Pool		
Formation Name(s) or Vertical	Bone Spring	
Extent:		
Primary Product (Oil or Gas):	Oil	и
Pooling this vertical extent:	Entire Bone Sp	ring formation
Pool Name and Pool Code:	Malaga; Bone S	Spring, North/Pool Code 42800
Well Location Setback Rules:	Statewide Rule	es
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	160 acres	
Building Blocks:	40 acres	
Orientation:	West-East	
Description: TRS/County		wnship 24 South, Range 28 East, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non- standard unit requested in this application?	Yes	EXHIBIT
Other Situations		
Depth Severance: Y/N. If yes, description	N	
Proximity Tracts: If yes, description	N	
Proximity Defining Well: if yes,		

description	
Applicant's Ownership in Each	Exhibit 2-B
Tract	
Well(s)	
Name & API (if assigned),	Add wells as needed
surface and bottom hole	Add Wells as fielded
location, footages, completion	
target, orientation, completion	
status (standard or non-	
standard)	
Well #1	Journey 11 B2MP Fee Well No. 1H
	API No. 30-015-48095
	SHL: 1,635' FSL & 250' FWL §11
	BHL: 500' FSL &100' FEL §11
	FTP: 500' FSL &100 FWL §11
	LTP: 500' FSL &100 FEL §11
	2 nd Bone Spring/TVD 8,352 feet/MD 13,040 feet
Well #2	
Horizontal Well First and Last	See above
Take Points	
Completion Target (Formation,	See above
TVD and MD)	
AFE Capex and Operating Costs	4000
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Fullibit 2 man 2
Requested Risk Charge	Exhibit 2, page 2
Notice of Hearing	Cost plus 200%
Proposed Notice of Hearing	Exhibit 6
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-A
Tract List (including lease	
numbers and owners)	Exhibit 2-B
If annual a fall and	
If approval of Non-Standard	

Spacing Unit is requested, Tract	
List (including lease numbers	
and owners) of Tracts subject to	
notice requirements.	
Pooled Parties (including	
	Exhibit 2-B; Working Interest Owners
ownership type) Unlocatable Parties to be Pooled	No
	NO
Ownership Depth Severance	
(including percentage above &	No Double Congress
below)	No Depth Severance
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (i.e.	
Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with	
Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal	
Letter	
Cost Estimate to Drill and	
Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production	
Facilities	Exhibit 2-D
Geology	
Summary (including special	
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 2-A
Gunbarrel/Lateral Trajectory	
Schematic	Exhibit 3-C
Well Orientation (with	
rationale)	West-East; Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibits 2-B
General Location Map (including	
basin)	Exhibits 3-A and 3-C
Well Bore Location Map	Exhibit 2-A

Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibits 3C
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
Special Provisions/Stipulations	
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 Representative):	James Bruse
Date:	March 19, 2024

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 AND APPROVING OVERLAPPING WELL UNITS, EDDY COUNTY, NEW MEXICO.

Case No. 24049

VERIFIED STATEMENT OF CARSON CULLEN

Carson Cullen 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. The purpose of this application is to force pool working interest and mineral owners into the Bone Spring horizontal spacing unit described below.
- 3. The interest owners being pooled have been contacted regarding the proposed wells but have simply refused to voluntarily commit their interests to the wells. Some interest owners are or may be unlocatable.
- 4. In this case Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the S/2S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 B2MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a last take point in the SE/4SE/4 of Section 11. Applicant also requests approval for the above well to overlap the Journey 11/12 B1MP Fee Well No. 1H, located in the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by applicant.
 - 5. A Form C-102 for the well is submitted as Exhibit 2-A.

There are no depth severances in the Bone Spring formation.

6. Land plats and information on the parties being pooled and their interests are set forth in Exhibit 2-B. To find the addresses for the parties we examined county and government records, and also conducted internet searches including google and drillinginfo.

EXHIBIT 2

- 7. Exhibit 2-C contains a summary of contacts with the interest owners, together with a sample copy of the proposal letters sent to them.
- 8. Mewbourne has made a good faith effort to locate or obtain the voluntary joinder of the working interest and mineral owners in the proposed wells.
- 9. Exhibit 2-D contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein are fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- 10. 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.
- 11. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
 - 12. Applicant requests that it be designated operator of the wells.
- 13. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- 14. The granting of 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 these cases. I affirm that my testimony in paragraphs 1 through 14 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

2/2024

Carson Cullen

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

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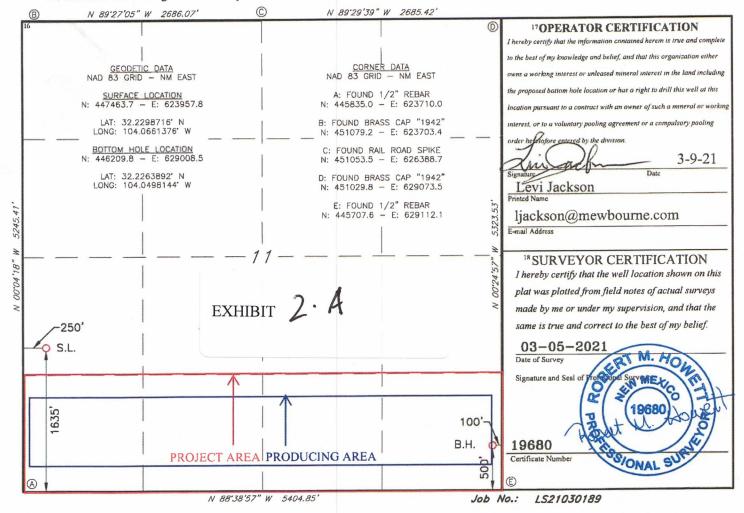
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

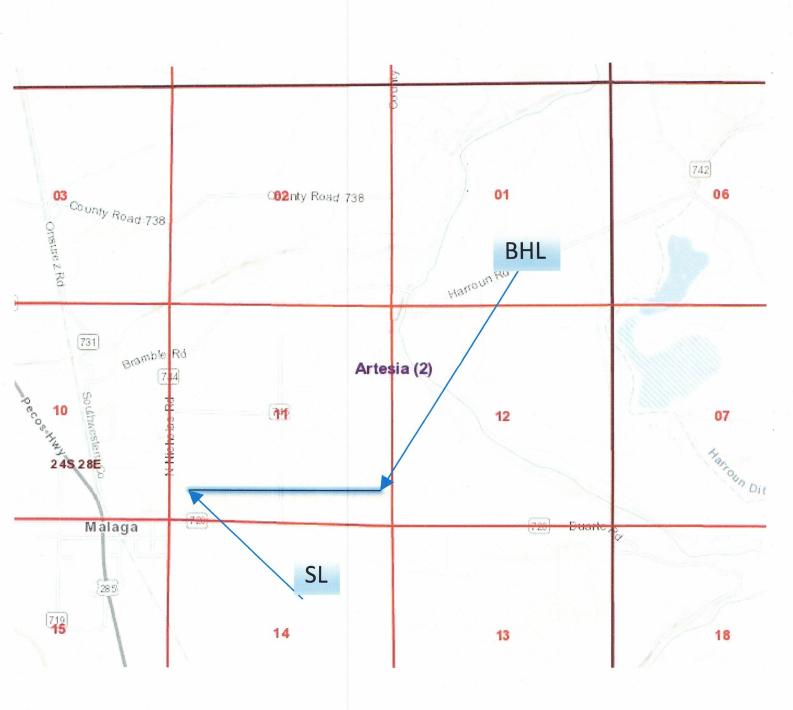
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 2 Pool Code MALAGA; BONE SPRING, NORTH 42800 6 Well Number 5 Property Name ⁴Property Code 1H JOURNEY 11 B2MP FEE 9Elevation 8 Operator Name 7 OGRID NO. 3000 MEWBOURNE OIL COMPANY 14744 10 Surface Location East/West line County Feet From the Lot Idn Feet from the North/South line UL or lot no. Section Township Range **EDDY** SOUTH 250 WEST 1635 28E 11 **24S** L " Bottom Hole Location If Different From Surface East/West line County Feet from the Feet from the North/South line Lot Idn UL or lot no. Section Township Range EAST EDDY SOUTH 100 500 **24S** 28E P 11 13 Joint or Infill 14 Consolidation Code 15 Order No. 12 Dedicated Acres

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.



Journey 11 B2MP Fee #1H Section 11 (S/2S/2), T24S, R28E EDDY COUNTY, NM



Bone Spring formation:

Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701

* Boys Club of America 1275 Peachtree Street NE Atlanta, Georgia 30309

*Total interest being pooled: 0.003125%

% Leasehold Interest 87.837728%

0.003125%

100.000000%

EXHIBIT 2.B

Summary of Communications

Journey 11-12 B2LI Fed Com #1H Journey 11-12 W0LI Fed Com #2H Journey 11-12 B1MP Fee #1H Journey 11 B2MP Fee #1H Journey 11 W0MP Fee #1H

Boys Club of America

- 1) 09/5/2023 Well proposals and AFE's sent via electronic mail.
- 2) 11/1/2023 Sent multiple emails and made phone calls to various people within the organization and have received no reply.

MEWBOURNE OIL COMPANY

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

September 11, 2023

Via Fed Ex Overnight

Boys Club of America 1275 Peachtree St. NE Atlanta, GA 30309-3506

Re:

Journey 11 B2MP FEE #1H

Journey 11 W0MP FEE #1H

Journey 11-12 B2LI FED COM #1H Journey 11-12 W0LI FED COM #2H

S/2 of Section 11 & Section 12, T24S, R28E

Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640-acre Working Interest Unit ("WIU") covering all of the above captioned acreage in Sections 11 & 12 for oil and gas production. Our title shows that Boys Club of America owns ("BCA") owns an interest in the SW/4SW/4 of Section 11 (1 net acre). BCA would own a 0.15625% working interest in the proposed WIU.

Mewbourne Oil Company hereby proposes drilling the following wells:

Journey 11 B2MP Fee #1H

Surface Location: 1015' FSL & 265' FWL, Sec. 11 Bottom Hole Location: 500' FSL & 100' FEL, Sec. 11 Proposed Total Vertical Depth: 8352' Proposed Total Measured Depth: 13040' Target: Bone Spring

Journey 11/12 B1MP Fee #1H

Surface Location: 1075' FSL & 265' FWL, Sec. 11 Bottom Hole Location: 500' FSL & 100' FEL, Sec. 12 Proposed Total Vertical Depth: 7500' Proposed Total Measured Depth: 17750' Target: Bone Spring

Journey 11/12 B2LI Fee #1H

Surface Location: 1035' FSL & 265' FWL, Sec. 11 Bottom Hole Location: 2140' FSL & 100' FEL, Sec. 12 Proposed Total Vertical Depth: 8462' Proposed Total Measured Depth: 18355' Target: Bone Spring

Journey 11 W0MP Fed Com #1H

Surface Location: 995' FSL & 265' FWL, Sec. 11 Bottom Hole Location: 2140' FSL & 100' FEL, Sec. 11 Proposed Total Vertical Depth: 9690' Proposed Total Measured Depth: 14180' Target: Wolfcamp

Journey 11/12 W0LI Fed Com #2H

Surface Location: 1055' FSL & 265' FWL, Sec. 11 Bottom Hole Location: 2200' FSL & 330' FEL, Sec. 12 Proposed Total Vertical Depth: 9787' Proposed Total Measured Depth: 19800' Target: Wolfcamp Regarding the above enclosed for your further handling is our AFE's for the above referenced proposed wells. A response is requested within thirty (30) days in order to timely complete this unit.

The BCA mineral interest is unleased currently. I would like to negotiate an oil, gas, and mineral lease as an alternative to BCA participating in this unit.

Please email me at <u>ccullen@mewbourne.com</u> or call me at (432) 682-3715 at your earliest convenience.

Very truly yours,

MEWBOURNE OIL COMPANY

Carson 1. Cullen

Carson Cullen Landman

MEWBOURNE OIL COMPANY

		AUTHORI	ZATION FOR EXPEN	IDITURI	=				
Well Name:	J	OURNEY 11 B2MP FEE #1H	1	Prospe	STATE OF THE PARTY	Journ	ey 12		
Location: SI	L: 1015 FSL & 265 F	WL; BHL: 500 FSL & 100 F	EL	Cou	inty:	Eddy			ST: NM
Sec. 11	Blk: Survey:		TWP:	248	RNG	: 28E	Prop. TVD:	8352	TMD: 13040
Geo	-	COLUMN TO THE PROPERTY OF THE PARTY OF THE P				_	тср	CODE	СС
		ANGIBLE COSTS 0180		F	180-0			0180-0200	
Regulatory Pe	rmits & Surveys id / Site / Preparation				0180-0	_	\$62,500	0180-0205	\$35,000
Location / Res	toration				0180-0	_	\$200,000		
Daywork / Tur	nkey / Footage Drillin	g 13 days drlg / 3 days			0180-0	_	\$284,600 \$61,400	0180-0210 0180-0214	
Fuel Alternate Fuel	_	1700 gal/day @ \$2.6	o/gai		0180-0	$\overline{}$		0180-0215	
Mud. Chemica					0180-0	_		0180-0220	
Mud - Speciali	ized				0180-0	121		0180-0221	
Horizontal Dril						_		0180-0222	
Cementing 1	e Preparation				0180-0	125	\$115,000		\$25,000
Logging & Win	reline Services				0180-0			0180-0230	
Casing / Tubir	ng / Snubbing Service	es			0180-0	_	\$25,000 \$15,000	0180-0234	\$10,000
Mud Logging		24 Stg 9.6 MM gal	/ 12 1 MM lb		0180-0	137	\$15,000	0180-0241	\$1,041,900
Stimulation Re	entals & Other	24 Stg 9.0 Wilvi gai i	12.1 WIWI ID					0180-0242	\$140,000
Water & Othe		1			0180-0	_		0180-0245	
Bits					0180-0	_		0180-0248	
	Repair Services Imping Services				0180-0		\$30,000	0180-0254	
	wback Services				0180-0	_	\$12,000	0180-0258	\$24,000
Completion /	Workover Rig					10:	0454.00-	0180-0260	\$10,500
Rig Mobilizati					0180-0	_	\$154,000 \$30,000	0180-0265	\$15,000
Transportatio	n struction & Maint. Se	rvices			0180-0			0180-0268	
	rices & Supervision	111003			0180-0	_		0180-0270	\$39,100
Directional Se	ervices	Includes Vertical Co	ontrol		0180-0	_	\$170,000		#C 200
Equipment Re					0180-0	_	\$112,100 \$5,000	0180-028	
Well / Lease Well / Lease					0180-0	_		0180-028	
Intangible Su					0180-0	188		0180-028	
Damages					0180-0	_	\$87,500	0180-029	
Pipeline Inter	connect, ROW Easer	ments			0180-0		\$64,800	0180-029	
Overhead Fix					0180-0	$\overline{}$		0180-029	
Contingencie		0% (TCP) 10% (CC)			0180-0	199	\$183,800	0180-029	9 \$219,100
			1	TOTAL			\$2,021,800		\$2,410,300
	Т	ANGIBLE COSTS 0181							
Casing (19.1'		4001 40 0/0# F4 F# L FF CT9	O @ \$50.70#		0181-0	_	\$26,300		
Casing (10.1"		420' - 13 3/8" 54.5# J-55 ST8 2600' - 9 5/8" 36# J-55 LT&C			0181-0	_	\$109,100		
Casing (6.1" -	- 8.0")	7670' - 7" 29# HPP110 BT&C			0181-0		\$302,400		
Casing (4.1" -	-6.0")	5750' - 4 1/2" 13.5# P-110 CE						0181-079	
Tubing Drilling Head		7670' - 2 7/8" 6.5# L-80 IPC 1	Tbg @ \$10.3/ft		0181-0	1960	\$35,000	0181-079	8 \$84,40
	& Upper Section				0101-0	7660	Ψ33,000	0181-087	0 \$30,00
	mpletion Tools	Completion Liner Hanger						0181-087	1 \$70,00
	quip. & Artificial Lift					_		0181-088	
Pumping Unit Service Pump		(1/4) TP/CP/Circ pump						0181-088 0181-088	
Storage Tank		(1/4) 8 OT/7 WT/GB						0181-089	
Emissions Co	ontrol Equipment	(1/4) 4 VRT's/2 VRU/Flare/5 I	KO's					0181-089	
	Treating Equipment	(1/4) H sep/V sep/HT			_	-		0181-089 0181-089	
	Metering Equipment Valves - Gathering	Automation CWMS building 1 mile 12in li	ne			-		0181-089	
	es & Accessories	String saliding i fille (2011)						0181-090	6 \$159,60
Cathodic Pro	tection							0181-090	8 \$3,80
Electrical Inst						_		0181-090 0181-091	
Equipment In Pipeline Cons		CWMS building 1 mile 12in li	ne .			-		0181-091	
i ipolitie cons	S. COLOT	CTTWO building I fille (211)						3.51.002	\$5,00
				TOTAL			\$472,800		\$1,023,60
			SUB	TOTAL			\$2,494,600		\$3,433,90
			TOTAL WELL CO	OST	-		\$5,9	28,500	
Prep	l elect to be covered Operator has secured l elect to purchase in checked above, non-operat ared by:	by Operator's Extra Expense Extra Expense Insurance cove ny own well control insurance ting working interest owner elects to Landon Stallings	ring costs of well contro policy.	il, clean u	p and i	edrillin	g as estimated	n. in Line Item	n 0180-0185.
Company A	oproval:	white		Date:	11/1	1/202	1		
				_ Date:		11202			
Joint Owner	Interest:	Amount:							

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

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

Case No. 24049

SELF-AFFIRMED STATEMENT OF TYLER HILL

Tyler Hill 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 this case. I have been qualified by the Division as an expert petroleum geologist.
 - 3. The following geological plats are attached hereto:
 - (a) Exhibit 3-A is a structure map on the top of the Second Bone Spring Sand. It shows that structure dips gently to the east. It also shows Second Bone Spring wells in the area, and that the wellbores are perpendicular to strike. It also shows a line of cross-section.
 - (b) Exhibit 3-B is an isopach of the Second Bone Spring Sand. It shows that the sand has a gross thickness of about 350 feet.
 - (c) Exhibit 3-C is a west-east cross section of the Bone Spring. The 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 units.
 - 4. I conclude from the maps that:
 - (a) The horizontal spacing units are justified from a geologic standpoint.
 - (b) The target zones are continuous and of uniform thickness across the well units.
 - (c) Each quarter section in the well units 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.

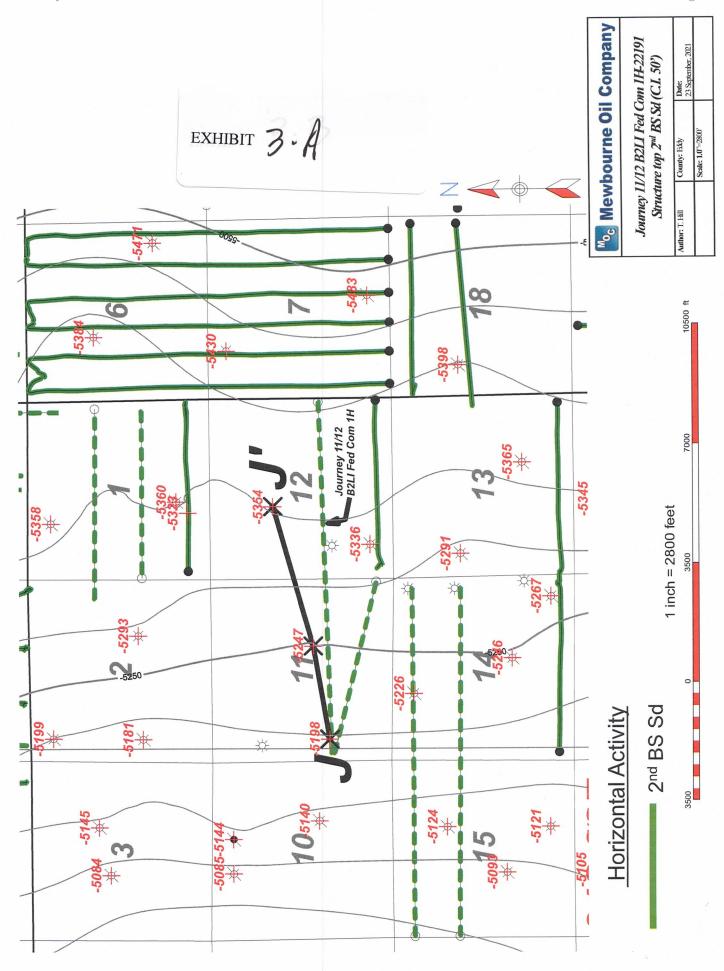
EXHIBIT 3

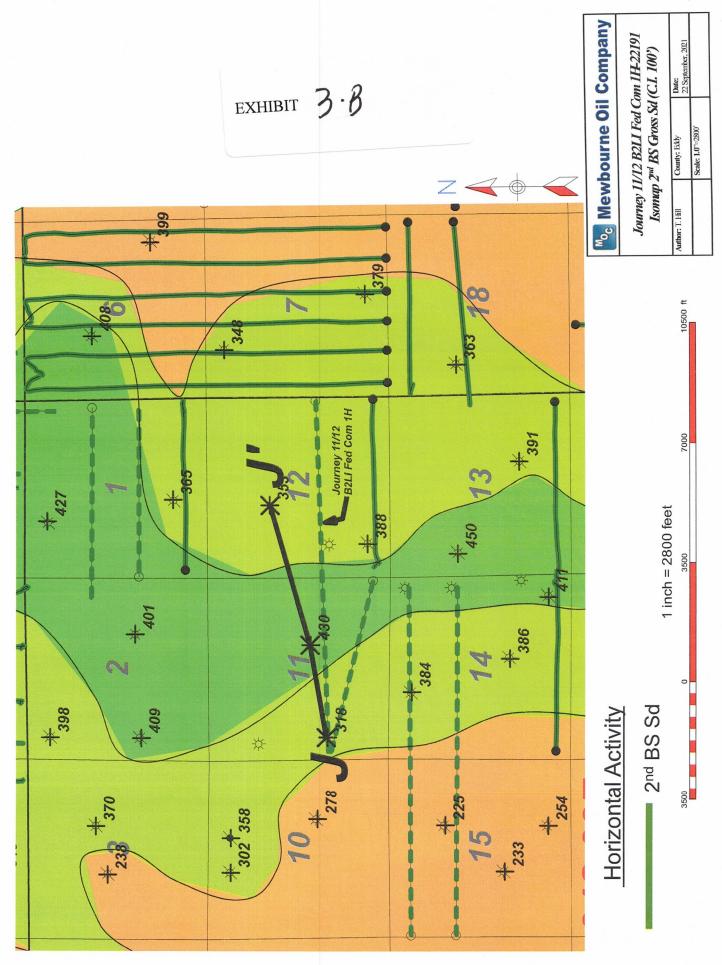
- 5. Exhibit 3-D contains information on other Bone Spring wells drilled in this area. There is a preference for laydown wells.
- 6. Exhibit 3-E contains copies of the horizontal drilling plans for the subject wells. The well locations are orthodox.
- 7. The overlapping well units cause no problems for the wells. There is sufficient vertical distance between the wells, and a barrier between First and Second Bone Spring zone, to prevent interference.

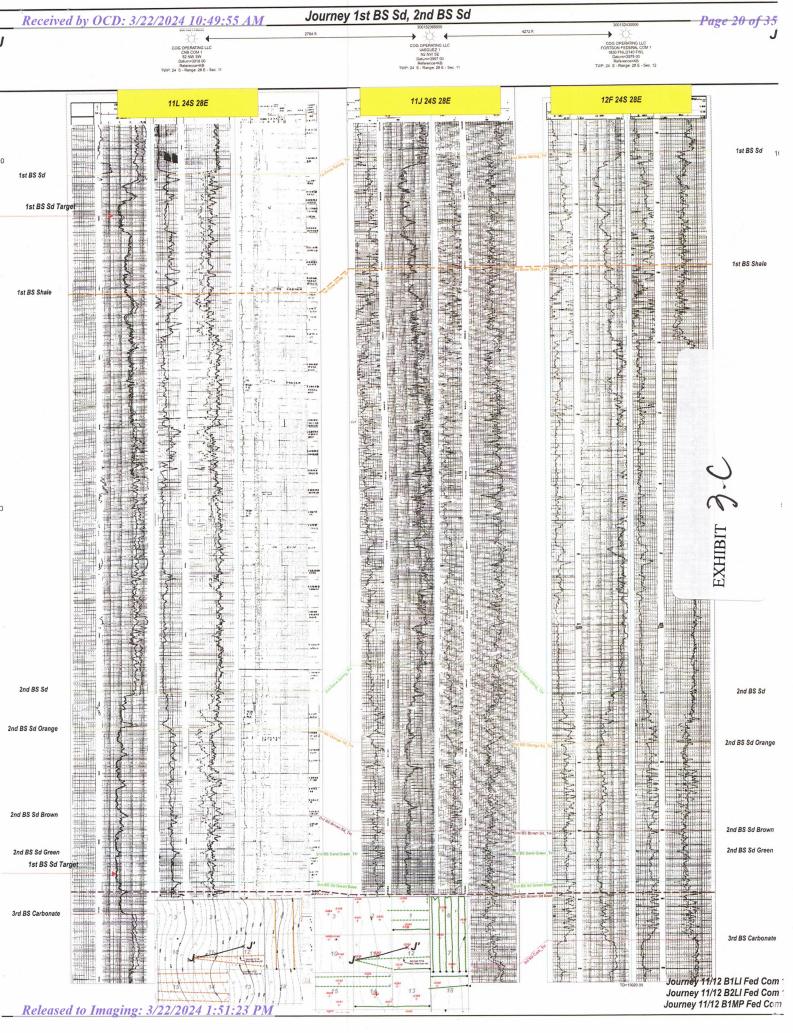
I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 7 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date written next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

Date: March 19, 2025

*Tyler Hill*Tyler Hill.







		Journey Area Production	roduction						
Lease Name	Well Num	Operator Name	Location	Oil Cum (mbo)	Gas Cum (bcf)	Oil Cum (mbo) Gas Cum (bcf) Wtr Cum (mbw)	First Prod Date	NS/EW	Zone
WILLOW LAKE 35 MD FEDERAL COM	11	MEWBOURNE OIL CO	24S 28E 35M SW SW	84	0.25	244	2013-07-01	NS	2nd BS SD
SALT DRAW 2 CN FEE	11	MEWBOURNE OIL CO	25S 28E 2C	93	0.3	268	2013-09-01	NS	2nd BS SD
MALAGA 30 MP FEDERAL COM	11	MEWBOURNE OIL CO	24S 29E 30M	150	0.4	418	2013-10-01	EW	2nd BS SD
MALAGA 30 LI FED COM	11	MEWBOURNE OIL CO	24S 29E 30L SW	102	0.2	340	2014-07-01	EW	2nd BS SD
RUSTLER BLUFF 19 24 29 FEDERAL	3H	SMC OIL & GAS INC	24S 29E 19N SW	114	0.28	255	2015-02-01	NS	2nd BS SD
PAUL 25 24S 28E RB	121Н	MATADOR PRODUCTION CO	24S 28E 25D	209	0.65	785	2017-02-01	EW	2nd BS SD
GOLDEN CORRAL 6 STATE	11	XTO ENERGY INC	25S 29E 6P	479	1.47	1008	2017-01-01	NS	2nd BS SD
HOSS 2 11 B2BO FEDERAL COM	2H	MEWBOURNE OIL CO	25S 28E 2B NE	379	1.44	1105	2017-11-01	NS	2nd BS SD
GOLDEN CORRAL FEDERAL COM	2H	XTO ENERGY INC	25S 29E 6O SE	400	1.19	949	2018-09-01	NS	2nd BS SD
SWEET TEA STATE 24 29 31 SB	4H	MARATHON OIL PERMIAN LLC	24S 29E 31L	177	0.72	513	2019-04-01	NS	2nd BS SD
WHISTLE PIG 1 SB FEE	2H	MARATHON OIL PERMIAN LLC	255 28E 1A	138	0.48	431	2019-06-01	NS	2nd BS SD
SWEET TEA FEDERAL 24 29 31 SB	7H	MARATHON OIL PERMIAN LLC	24S 29E 31K SW	226	0.93	489	2019-07-01	NS	2nd BS SD
ROCK RIDGE FEDERAL BSS	4H	MURCHISON OIL & GAS LLC	24S 29E 30A NE	170	0.35	366	2019-07-01	EW	2nd BS SD
ROCK RIDGE FEDERAL BSS	7H	MURCHISON OIL & GAS LLC	24S 29E 30A NE	153	0.35	271	2019-11-01	EW	2nd BS SD
ROCK RIDGE FEDERAL BSS	H8	MURCHISON OIL & GAS LLC	24S 29E 30A NE	149	0.35	308	2019-11-01	EW	2nd BS SD
BALSAM BNL FEDERAL COM	001H	EOG RESOURCES INC	24S 29E 8A SE NE NE	69	0.55	175	2009-10-01	EW	1st BS Sd
CHEVRON BOT	001H	EOG RESOURCES INC	24S 29E 5L W2 NW SW	120	0.78	242	2011-08-01	NS	1st BS Sd
MORNING FEDERAL	001H	OXY USA INC	24S 29E 8E	108	0.71	211	2010-09-01	EW	1st BS Sd
CHEVRON BOT	005H	EOG RESOURCES INC	24S 29E 5J	147	0.89	153	2011-01-01	NS	1st BS Sd
CHEVRON BOT	Н900	EOG RESOURCES INC	24S 29E 5K	148	06:0	183	2011-09-01	NS	1st BS Sd
MACHO GRANDE STATE	11	MARATHON OIL PERMIAN LLC	23S 29E 32A	166	1.29	103	2012-08-01	NS	1st BS Sd
WIDTH CC 6 7 FEDERAL COM	014H	OXY USA INC	24S 29E 6A NE	240	2.01	675	2020-03-01	NS	1st BS Sd
WIDTH CC 6 7 FEDFRAL COM	016H	OXY LISA INC	24S 29F 6C NW	229	1.60	613	2020-03-01	NS	1st BS Sd

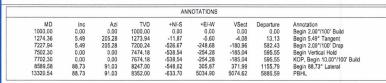
EXHIBIT 3.0



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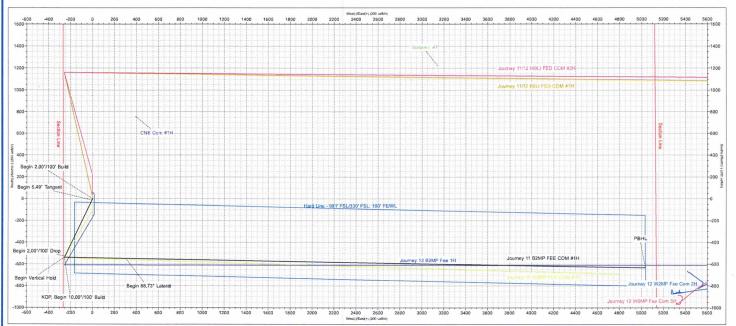
Company: Mewbourne Oil Company Site: Journey 11 Well: Journey 11 B2MP FEE COM #1H Project: Eddy County, N.M. (NAD83) Grid Rig: Patterson 560

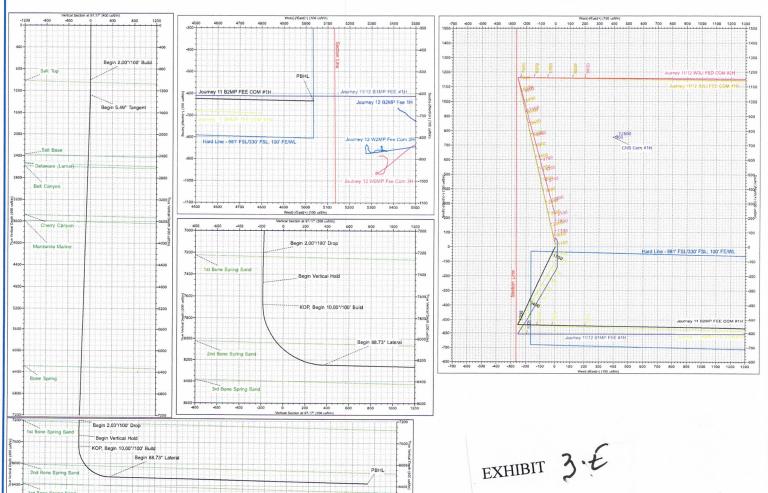




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Grid North is 0.14° East of True North (Grid Convergence) To convert a Magnetic Direction to a Grid Direction, Add 6.57° To convert a Magnetic Direction to a True Direction, Add 6.72° East





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

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND APPROVING OVERLAPPING WELL UNITS, EDDY COUNTY, NEW MEXICO.

Case No. 24049

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 Exhibits 4-A and 4-B.
 - 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: 3/19/14

James Bruce

EXHIBIT

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

December 13, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of five applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company ("Mewbourne"), requesting the following relief:

- (a) Case No. 24047: Mewbourne seeks an order amending Order No. R-21985 for compulsory pooling to pool all uncommitted mineral interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the N/2S/2 of Section 11 and the N/2S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit will be dedicated to the Journey 11/12 B1LI Fed. Com. Well No. 1H and the Journey 11/12 B2LI Fed. Com. Well No. 1H, with first take points in the NW/4SW/4 of Section 11 and last take points in the NE/4SE/4 of Section 12;
- (b) Case No. 24048: Mewbourne seeks an order amending Order No. R-21986 to pool all uncommitted mineral interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11/12 B1MP Fee Well No. 1H, with a first take point in the SW/4SW/4 of Section 11 and a last take point in the SE/4SE/4 of Section 12. Applicant requests approval for the above well to overlap the Journey 11 B2MP Fee Well No. 1H, located in the S/2S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne;
- (c) Case No. 24049: Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the S/2S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 B2MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a last take point in the SE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, testing 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, testing, and equipping the well. Applicant requests approval for the above well to overlap the Journey 11/12 B1MP Fee Well No. 1H, located in the

EXHIBIT $4 \cdot A$

S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne;

- (d) Case No. 24050: Mewbourne seeks an order amending Order No. R-21902 and pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11/12 W0LI Fed. Com. Well No. 2H, with a first take point in the NW/4SW/4 of Section 11 and a final take point in the NE/4SE/4 of Section 12. Applicant requests approval for the above well to overlap the Journey 11 W0MP Fee Well No. 1H, located in the S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne; and
- (e) Case No. 24051: Mewbourne seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 W0MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a final take point in the SE/4SE/4 of Section 11. Applicant requests approval for the above well to overlap the Journey 11/12 W0LI Fed. Com. Well No. 2H, located in the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne

Also to be considered will be the cost of drilling, completing, testing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, January 4, 2024. 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/, contact Apodaca Sheila. Apodaca@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,

James Bruce

Attorney for Mewbourne Oil Company

Boys Club of America 1275 Peachtree St. NE Atlanta, Georgia 30309-3506

Charles Wynn Kilgore, III 111 Woodland Rd. East Kerrville, Texas 78028

Anne C. Conn 2468 State Highway 97E Floresville, Texas 78114

Melinda Richardson 9003 Vista West Dr. APT. 333 San Antonio, Texas 78245

Priscilla L. Burleson 189 Oak Fields Drive Floresville, Texas 78114

EXHIBIT /

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	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions					

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, J3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Boys Club of America 1275 Peachtres St. NE Atlanta, Georgia 30309-3506	A. Signature X
9590 9402 7635 2122 6827 34	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Signature Confirmation™ □ Signature Confirmation □ Signature Confirmation
2. Article 7020 0090 0000 0863	☐ Collect on Delivery Restricted Delivery Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Journey Domestic Return Receipt

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

February 29, 2024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

EXHIBIT 4.7

Enclosed are copies of five applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company ("Mewbourne"), requesting the following relief:

- (a) Case No. 24048: Mewbourne seeks an order amending Order No. R-21986 to pool all uncommitted mineral interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11/12 B1MP Fee Well No. 1H, with a first take point in the SW/4SW/4 of Section 11 and a last take point in the SE/4SE/4 of Section 12. Applicant requests approval for the above well to overlap the Journey 11 B2MP Fee Well No. 1H, located in the S/2S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne;
- (b) Case No. 24049: Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the S/2S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 B2MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a last take point in the SE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, testing 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, testing, and equipping the well. Applicant requests approval for the above well to overlap the Journey 11/12 B1MP Fee Well No. 1H, located in the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne;
- (c) Case No. 24050: Mewbourne seeks an order amending Order No. R-21902 and pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11/12 W0LI Fed. Com. Well No. 2H, with a first take point in the NW/4SW/4 of Section 11 and a final take point in the NE/4SE/4

of Section 12. Applicant requests approval for the above well to overlap the Journey 11 W0MP Fee Well No. 1H, located in the S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne; and

(d) Case No. 24051: Mewbourne seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 320-acre horizontal spacing unit comprised of the S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 W0MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a final take point in the SE/4SE/4 of Section 11. Applicant requests approval for the above well to overlap the Journey 11/12 W0LI Fed. Com. Well No. 2H, located in the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne.

YOU ARE BEING NOTIFIED ONLY AS TO THE OVERLAPPING WELL UNITS.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 21, 2024. 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/, contact Sheila Apodaca or Sheila.Apodaca@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,

Attorney for Mewbourne Oil Company

EXHIBIT A

Chevron U.S.A. Inc. 6301 Deauville Boulevard Midland, Texas 79706

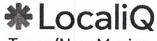
Attention: Permitting Team

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Texas/New Mexico

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PO Box 631667 Cincinnati, OH 45263-1667

PROOF OF PUBLICATION

Mr James Bruce James Bruce Attorney At Law Pobox 1056 Santa Fe NM 87504

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

03/08/2024

and that the fees charged are legal. Sworn to and subscribed before on 03/08/2024

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost:

\$262.92

Order No:

9935592

Customer No:

1360617

of Copies:

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THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

KATHLEEN ALLEN Notary Public State of Wisconsin To: Chevron U.S.A. Inc. on DAY USA Inc. or you successors or assigns: Mewbourne Oil Company has file four opplications with the New Mexico Oil Conservation Division, requesting the following reliefs:

order No. 7821986 to bool all uncommitted mineral interest owners in the Bone Spring formation underlying a 320-acre horizontal spacing unit comprised of the \$725/2 of Section 11 and the \$255/2 of Section 12. Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11/2 BIMP Fee Well No. 1H, with a first take point in the \$245/2/4 of Section 12 and a last take point in the \$245/2/4 of Section 12 applicant requests approval for the SE/45/2/4 of Section 12 applica

Case No. 28092; Mewbourne seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the SZSZ of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journal of the SWSZA and well to the unit is dedicated to the Journal of the SWSZA and well to the section of the SWSZA and well so the section of Section 11. Also to be considered will be the cost of drilling, completing, testing 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, testing, and equipping the well. Applicant requests approval for the above the late of the section 12. Township 24 South Section 12 and the SYSZ of Section 12. Township 24 South Section 18 East, N.M.P.M.

Case No. 24650: Mewbourne seeks an order amending Order No. R-21902 and pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre horizontal spacing unit comprised of the S/2 of Section 11 and the S/2 of Section 12, Township 24 South, Ronge 28 East, NMPM. The unit is dedicated to the Journey 11/12 WOLL Fed. Com. Well No. 2H, with a first take point in the NW/4SW/4 of Section 12. Applicant requests approval for the obove well to overlap the Journey 11 WOMP Fee Well No. 1H, located in the S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M. That well is

Case No. 24951: Mewbourne seeks an order pooling all uncommitted mineral interests in the Wolfcomp formation underlying a 320-acre horizontal spacing unit comprised of the \$Z0 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 WOMP Fee Well No. 1H, with a first toke point in the SW/4SW/4 and a final take point in the SE//4SE/4 of Section 11. Applicant requests approval for the above well to overlap the Journey 11/12 WOLL Fed. Com. Well No. 2H, located in the \$Z0 of Section 11 and the \$Z0 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by Mewbourne, AS TO THE OVER-LAPPLING WELL UNIT PORTIONS OF THE APPLICA

These matters are scheduled for hearing at 8:15 a.m. or Thursday, March 21, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South 5t. Francis Drive, Santa Fe New Mexico 87905, or (b) via the WebEx virtual meeting building, 1st Floor, 1220 South 5t. Francis Drive, Santa Fe New Mexico 87905, or (b) via the WebEx virtual meeting south of the state of the state

EXHIBIT

5

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND APPROVING OVERLAPPING WELL UNITS, EDDY COUNTY, NEW MEXICO.

Case No. 24049

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the S/2S/2 of Section 11, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the S/2S/2 of Section 11, and has the right to drill a well or wells thereon.
- 2. Applicant has drilled the Journey 11 B2MP Fee Well No. 1H to a depth sufficient to test the Bone Spring formation, with a first take point in the SW/4SW/4 and a last take point in the SE/4SE/4 of Section 11.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2S/2 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 uncommitted mineral interest owners in the Bone Spring formation underlying the S/2S/2 of Section 11, pursuant to NMSA 1978 §70-2-17.

EXHIBIT (

- 5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the S/2S/2 of Section 11 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. Applicant requests approval for the above well to overlap the Journey 11/12 B1MP Fee Well No. 1H, located in the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by applicant.

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

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation (Malaga; Bone Spring Pool/Pool Code 42800) underlying the S/2S/2 of Section 11;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, testing, 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;
- E. Setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the well in the event a working interest owner elects not to participate in the well; and
- F. Approving the overlapping well units.

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 and approving overlapping well units, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 160-acre horizontal spacing unit comprised of the S/2S/2 of Section 11, Township 24 South, Range 28 East, NMPM. The unit is dedicated to the Journey 11 B2MP Fee Well No. 1H, with a first take point in the SW/4SW/4 and a last take point in the SE/4SE/4 of Section 11. Also to be considered will be the cost of drilling, completing, testing 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, testing, and equipping the well. Applicant requests approval for the above well to overlap the Journey 11/12 B1MP Fee Well No. 1H, located in the S/2S/2 of Section 11 and the S/2S/2 of Section 12, Township 24 South, Range 28 East, N.M.P.M. That well is operated by applicant. The unit is located approximately approximately 1-1/2 miles east-northeast of Malaga, New Mexico.