

CASE NO. 24346

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

EXHIBITS – Part II

3. Geologist's Affidavit
 - 3-A: Locator Map
 - 3-B: Structure Map
 - 3-C and 3D: Cross-Sections
 - 3-E: Horizontal Drilling Plans
4. Affidavit of Mailing
 - 4-A: Notice Letter
5. Certified Notice Spreadsheet
6. Affidavit of Publication
7. Application and Proposed Notice

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

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

Case Nos. 24344 - 24346

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 these cases. I have been qualified by the Division as an expert petroleum geologist.
3. The following plats are attached hereto:
 - (a) Exhibit 3-A is an area locator plat.
 - (b) Exhibit 3-B is a structure map on the top of the Second Bone Spring Sand in the area around Sections 26 and 35, Township 23 South, Range 28 East, NMPM. It shows that structure dips gently to the east. It also shows existing and proposed First and Second Bone Spring wells in the area. It also shows a north-south line of cross-section.
 - (c) Exhibit 3-C is a north-south cross section of the First Bone Spring Sand, and Exhibit 3-D is a north-south cross section of the Second Bone Spring Sand. The logs on the cross-sections give a representative sample of the First and Second Bone Spring Sands in this area. The sands are continuous and of relatively uniform thickness across the well units.
4. I conclude from the maps that:
 - (a) The proposed horizontal Bone Spring 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 each well unit will contribute more or less equally to production from a well.

EXHIBIT 3

(d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

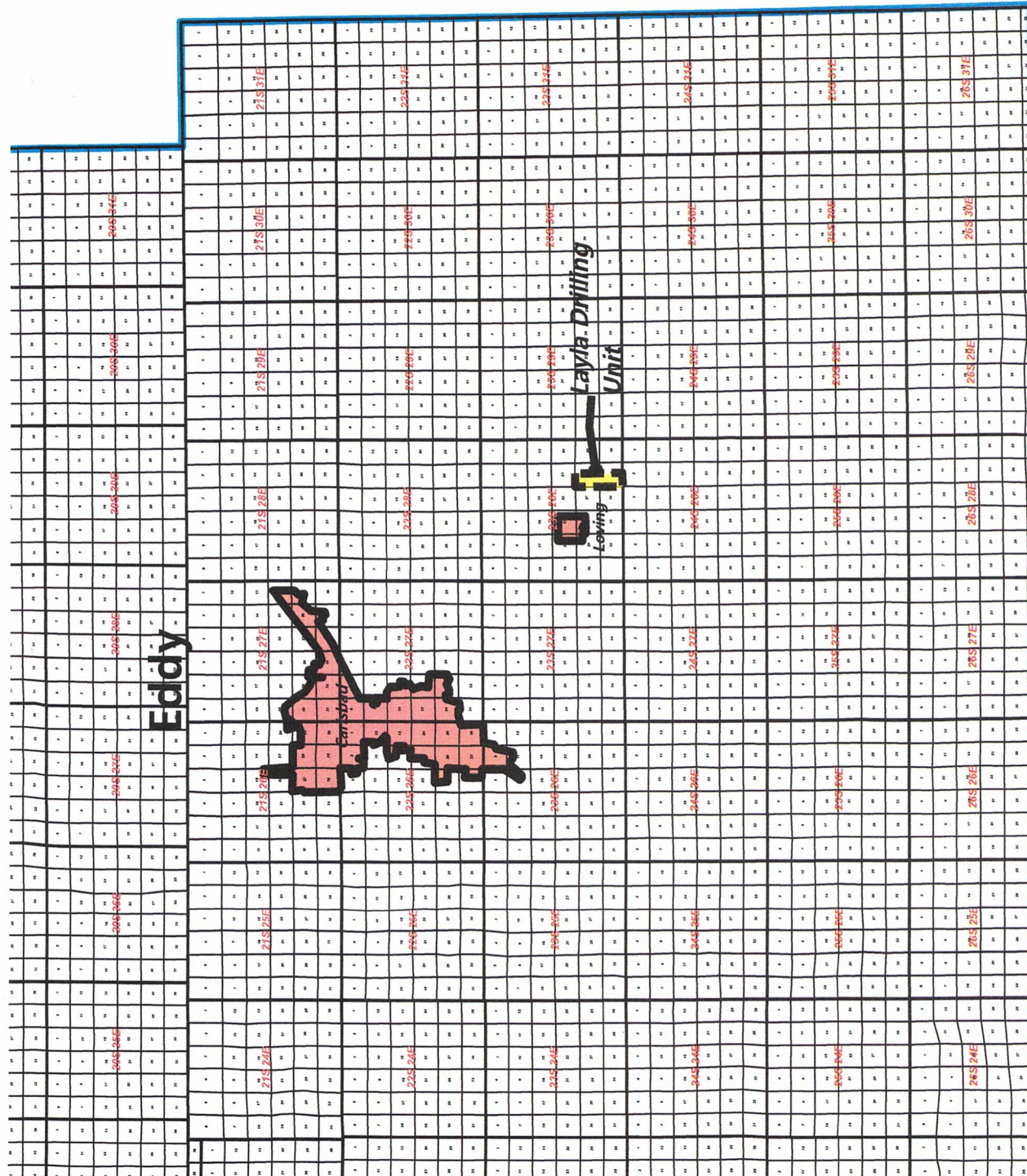
5. Other Bone Spring wells drilled and proposed in this area show both standup and laydown well units. In Sections 26 and 35 there are already existing standup wells which show it is a reasonable way to develop the reservoir.

6. Exhibits 3-E, [REDACTED] and 3-F contain copies of the horizontal drilling plans for the subject wells in Case Nos. 24344, 24345, and 24346, respectively. The well locations are 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 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date written next to my signature below.

Date: April 2, 2024

/s/ Tyler Hill
Tyler Hill



MOC Mewbourne Oil Company

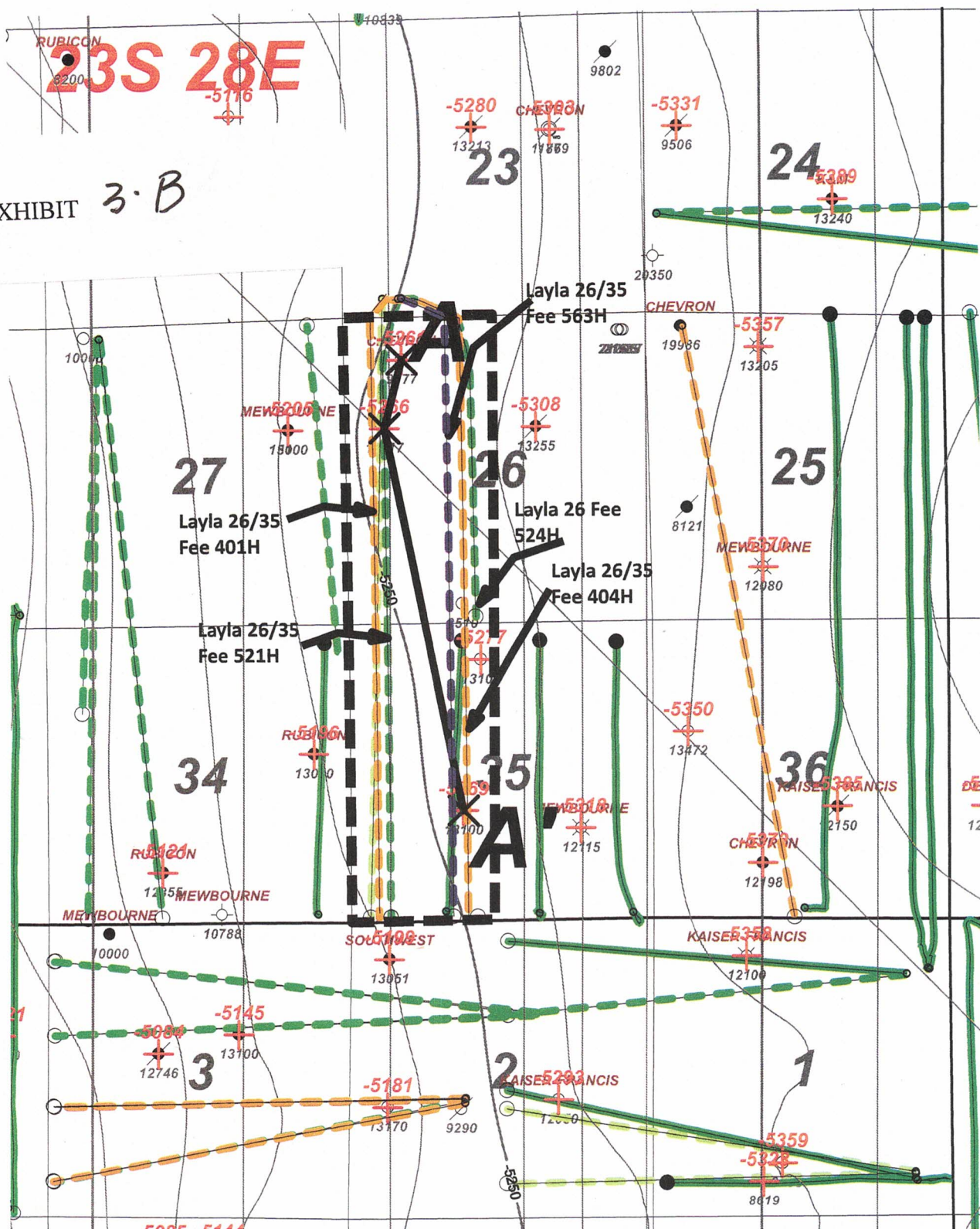
Layla 26/35
Eddy County Locator Map

Author: T. Hill	NW/TX	Date: 27 March, 2024
	Scale: 1"=14868'	

EXHIBIT 3-A

Texas

EXHIBIT 3-B



DLWR Basin Activity Color Code

Delaware	3rd BS Sand
Avalon Shale	Wolfcamp Sand
1st BS Sand	Wolfcamp A Shale
1st BS Shale	Wolfcamp B Shale
2nd BS Sand	Wolfcamp C Shale
Harkey Sand	Wolfcamp D Shale
3rd BSPG Shale	Wolfcamp (No Survey)

Permit:
 Drilled:

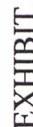


MOC Mewbourne Oil Company		
Layla 26 Fee #524H Layla 26/35 Fee #401H, #404H, #521H, #563H Structure top 2 nd BS Sd (C.I. 50')		
Author: T. Hill	County: Eddy	Date: 27 March, 2024
Scale: 1.0"=2800'		

4



EXHIBIT 3-C



Layla 26 Fee #524H
Layla 26/35 Fee #521H
Layla 26/35 Fee #562H

MEWBOURNE OIL COMPANY

EDDY COUNTY, NEW MEXICO (NAD 83 - GRID)

SEC. 23 T23S R28E

LAYLA 26 FEE 524H

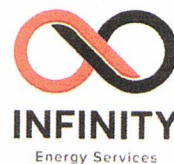
ORIGINAL WELLBORE

08 March, 2024

Plan: PROPOSAL #3

EXHIBIT

3-G 3-E

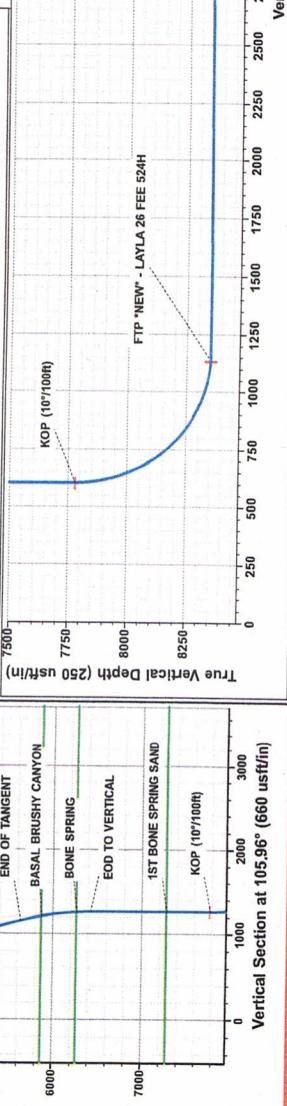
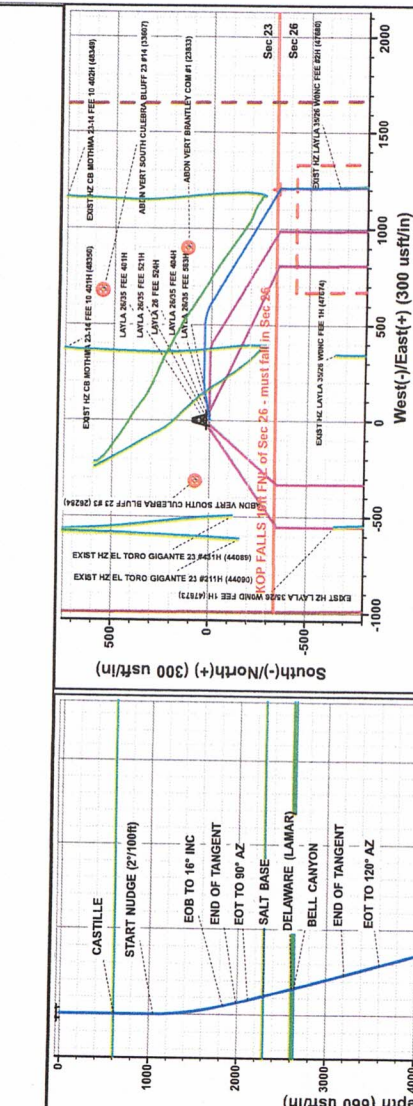


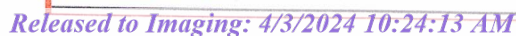
Project: EDDY COUNTY, NEW MEXICO (NAD 83 - GRID)
Site: SEC. 23 T23S R28E
Well: LAYLA 26 FEE 524H
Wellbore: ORIGINAL WELLBORE
Design: PROPOSAL #3



ANNOTATIONS									
MD	Inc	Azi	TVD	+N-S	+E-W	Vsect	Dep	Annotation	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	SHL: 340R FSL & 995R FWL of Sec 23	
1050.00	0.00	0.00	4950.00	0.00	0.00	0.00	0.00	START NUDDGE (27100H)	
1850.00	16.00	80.00	4950.00	0.00	0.00	0.00	0.00	EOB TO 16" INC	
2005.00	16.00	80.00	1989.02	25.71	189.23	4.99	110.98	END OF TANGENT	
2143.06	16.00	80.00	1989.02	25.71	189.23	4.99	110.98	END OF TANGENT	
3273.16	16.00	90.00	2121.38	30.00	189.14	11.90	193.51	END OF TANGENT	
3562.25	16.00	90.00	3207.70	30.00	500.64	79.73	503.20	END OF TANGENT	
5588.59	16.00	120.00	3601.61	1.77	606.02	130.24	613.71	EOB TO 120" AZ	
7955.02	16.00	120.00	9535.97	-285.91	1111.21	524.92	1197.05	END OF TANGENT	
8856.22	90.12	179.41	8345.00	-5655.25	1261.93	5795.31	5795.31	END OF TANGENT	
13593.21								KOP (107100H): 10R FNL & 2200R FWL of Sec 26	
								KOP (107100H): 10R FNL & 2200R FWL of Sec 26	
								BHL: 100R FSL & 2200R FWL of Sec 26	
								BHL: 100R FSL & 2200R FWL of Sec 26	

WELLBORE TARGET DETAILS (LAT/LONG)									
Name	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude		
LAYLA 26 FEE 524H (P3)	7782.04	-345.39	1207.32	467069.86	625942.79	32.283752	-104.059556		
BHL - LAYLA 26 FEE 524H	8345.00	-5856.25	1261.93	461759.00	625997.40	32.286153	-104.059424		
FTP "NEW" - LAYLA 26 FEE 524H	8355.00	-5902.35	1158.24	466512.90	625893.71	32.282222	-104.059720		





**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. 24346

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 Exhibit 4-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:

4/2/24


James Bruce

EXHIBIT

4

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

March 14, 2024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

EXHIBIT *cf. A*

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, requesting the following relief:

Case No. 24346: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to drill the following well on the unit to depths sufficient to test the Bone Spring formation: The Layla 26 Fee Well No. 524H, with a first take point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26 and a last take point in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26

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, April 4, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. 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 Sheila Apodaca at 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,

A handwritten signature in blue ink that reads "James Bruce". The signature is fluid and cursive, with the first name "James" and last name "Bruce" clearly distinguishable.

James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT

A

S.J. Mansfield, III and Linda Mansfield
412 Shadow Bend Dr.
Richardson, TX 75081

Erich Klein and Clydell Klein
PO BOX 176
Neches, TX 75779-0176

Debora H. Roland
14564 N, Pecan Ave.
Gardendale, TX 79758

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<input type="checkbox"/> Return Receipt (electronic) \$	
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<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
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Sent To S.J. Mansfield, III and Linda Mansfield 412 Shadow Bend Dr. Richardson, TX 75081	
Street and Apt. No., or P.O. Box	
City, State, ZIP+4®	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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City, State, ZIP+4®	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



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:

03/19/2024

and that the fees charged are legal.
Sworn to and subscribed before on 03/19/2024



Legal Clerk



Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$160.16

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KATHLEEN ALLEN
Notary Public
State of Wisconsin

EXHIBIT 

Marathon Oil Permian LLC, S.J. Mansfield, III, Linda Mansfield, Erich Klein, Clydell Klein, Debora H. Roland, The Bishop Whipple Schools, Joe Beeman, Boys Club of America, Juan G. Ruiz, and C.O. Enderud, or your heirs, devisees, successors, or assigns. Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division, requesting the following relief:

Case No. 24344: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the $W\frac{1}{2}W\frac{1}{2}$ of Section 26 and the $W\frac{1}{2}W\frac{1}{2}$ of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to drill the following wells on the unit to depths sufficient to test the Bone Spring formation:

(a) The Layla 26/35 Fee Well No. 401H, with a first take point in the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 26 and a last take point in the $SW\frac{1}{4}SW\frac{1}{4}$ of Section 35; and

(b) The Layla 26/35 Fee Well No. 521H, with a first take point in the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 26 and a last take point in the $SW\frac{1}{4}SW\frac{1}{4}$ of Section 35.

2. To: Marathon Oil Permian LLC, S.J. Mansfield, III, Linda Mansfield, Erich Klein, Clydell Klein, The Bishop Whipple Schools, and Joe Beeman, or your heirs, devisees, successors, or assigns. Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division, requesting the following relief:

Case No. 24345: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the $E\frac{1}{2}W\frac{1}{2}$ of Section 26 and the $E\frac{1}{2}W\frac{1}{2}$ of Section 35, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to drill the following wells on the unit to depths sufficient to test the Bone Spring formation:

(a) The Layla 26/35 Fee Well No. 404H, with a first take point in the $NE\frac{1}{4}NW\frac{1}{4}$ of Section 26 and a last take point in the $SE\frac{1}{4}SW\frac{1}{4}$ of Section 35; and

(b) The Layla 26/35 Fee Well No. 563H, with a first take point in the $NE\frac{1}{4}NW\frac{1}{4}$ of Section 26 and a last take point in the $SE\frac{1}{4}SW\frac{1}{4}$ of Section 35.

3. To: S.J. Mansfield, III, Linda Mansfield, Erich Klein, Clydell Klein, and Debora H. Roland, or your heirs, devisees, successors, or assigns. Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division, requesting the following relief:

Case No. 24346: Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the $E\frac{1}{2}W\frac{1}{2}$ of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to drill the following well on the unit to depths sufficient to test the Bone Spring formation: The Layla 26 Fee Well No. 524H, with a first take point in the $NE\frac{1}{4}NW\frac{1}{4}$ of Section 26 and a last take point in the $SE\frac{1}{4}SW\frac{1}{4}$ of Section 26.

Also to be considered in each case 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.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, April 4, 2024. The hearing may be attended (a) in person in Pecos Hall of the Wendell Chino Building, 1st Floor, 1220 South St. Francis Drive, Santa Fe New Mexico 87505, or (b) via the WebEx virtual meeting platform. 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 Sheila Apodaca at 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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than 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 attorney for applicant, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruce@aol.com. The units are located approximately 3-1/2 miles east-northeast of Malaga, New Mexico.

3/19/2024

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**APPLICATION OF MEWBOURNE OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**Case No. 24346**APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26, Township 23 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 E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26 (covering 160 acres), and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the following well on the unit to a depth sufficient to test the Bone Spring formation:

The Layla 26 Fee Well No. 524H, with a first take point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26 and a last take point in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26 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 mineral interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26, pursuant to NMSA 1978 §70-2-17.

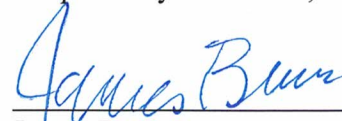
EXHIBIT 7

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the E½W½ of Section 26 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 (Culebra Bluff; Bone Spring, South Pool; Pool Code 15001) underlying the E½W½ of Section 26;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, testing, and equipping the well and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-204e

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.
Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E $\frac{1}{2}$ W $\frac{1}{2}$ of Section 26, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to drill the following well on the unit to depths sufficient to test the Bone Spring formation: The Layla 26 Fee Well No. 524H, with a first take point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26 and a last take point in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26. 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, and equipping the well. The unit is located approximately 3-1/2 miles north-northeast of Malaga, New Mexico.