CASE NO. 24363

APPLICATION OF MEWBOURNE OIL COMPANY TO AMEND ORDER NO. R-22575 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

EXHIBITS

4.

- 1. Order No. R-22575
- 2. Landman's Affidavit
- 3. Affidavit of Mailing
 - 3-A: Notice Letter and Return Receipts3-B: Certified Return Spreadsheet
- 5. Application and Proposed Notice

Affidavit of Publication

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MEWBOURNE OIL COMPANY

CASE NO. 22642 ORDER NO. R-22575

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 17, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Mewbourne Oil Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the

- depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

DYLAN M FUGE

DIRECTOR (ACTING)

DMF/hat

Date:

Exhibit A

ALL INFORMATION IN THE APPLICA	ATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case:	22642		
Date:	November 17, 2022		
Applicant	Mewbourne Oil Company		
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No.14744		
Applicant's Counsel:	James Bruce		
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico		
Entries of Appearance/Intervenors:	Denon Energy Production Co., L.P./Abadie & Schill ConocoPhillips Company/Ocean Munds-Dry & Beth Ryan		
Well Family	Overlord Wolfcamp wells		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Wolfcamp Formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Wolfcamp formation		
Pool Name and Pool Code:	Alacran Hills; Upper Wolfcamp (Oil) /Pool Code 98314		
Well Location Setback Rules:	Current horizontal well rules		
Spacing Unit Size:	Quarter-quarter sections/40 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	240 acres		
Building Blocks:			
Orientation:	East - West		
Description: TRS/County	S/2NW/4 §33 and S/2N/2 §32-20S-28E, NMPM, Eddy County		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No /		
Proximity Tracts: If yes, description	EXHIBIT (
Proximity Defining Well: if yes, description			
Applicant's Ownership in Each Tract	Exhibit 2-B		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Overlord 33/32 W0FE Fed. Com. Well No. 1H API No. 30-015-Pending SHL: 2630 FNL & 2435 FEL §33 BHL: 1930 FNL & 100 FWL §32 FTP: 1930 FNL & 2540 FWL §33 LTP: 1930 FNL & 100 FWL §32 Wolfcamp /TVD 8956 feet/MD 16785 feet		

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Handebraddy OGDF HELLHY 2022 FEN TERE PM Points	See above Page 50 of 5
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10	LAMBIC 4
days before hearing)	Exhibit 5
	EXHIBICS
Ownership Determination	CASE AS CONTROL FOR MINE OF THE SERVICE AND
Land Ownership Schematic of the	Exhibit 2-A
Spacing Unit	EXIIIDIL Z-A
Tract List (including lease numbers and	Fulliking R
owners)	Exhibit 2-
Pooled Parties (including ownership	5 1 1 1 2 B
type)	Exhibit 2-B
Unlocatable Parties to be Pooled	
Ownership Depth Severance (including	
percentage above & below)	None
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	
	Exhibit 2-C
Working Interests Overhead Rates In Proposal Letter	EXHIBIT 2-C
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Drill and Complete	Exhibit 2-D
	Exhibit 2-D
Cost Estimate for Production Facilities	EXHIBIT Z-D
Geology	
Summary (including special	E.Libia 2
considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 2-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-B
Well Orientation (with rationale)	Laydown/Exhibit 3
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 3-B
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	E. hihir 2. A
C-102	Exhibit 2-A
Tracts	Exhibits 2-A and 2-B
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 2-B

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 TO AMEND ORDER NO. R-22575 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 24363

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 the application filed herein:
- 3. Order No. R-22575 (entered in Case No. 22642) pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 33 and the S/2N/2 of Section 32, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.
- 4. Mewbourne seeks to drill the Overlord 33/32 W0FE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 33 and a last take point in the SW/4NW/4 of Section 32.
- 5. Case No. 22642 was heard on November 17, 2022, and Order No. R-22575 was entered on March 30, 2023, pooling the well unit.
- 6. Paragraph 19 of Order No. R-22575 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by amending this Order for good cause shown."
- 7. Applicant has the subject well on its drilling schedule. Although the operator (Mewbourne) submitted an APD to the Bureau of Land Management in August 2022, the APD has not yet been approved. Applicant cannot commence the well without an approved APD and

and the assignment of an API No. by the Division. Thus good cause exists for Applicant's request for an extension.

8. Applicant requests an extension of the well commencement deadline to March 30, 2025.

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 8 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: APRIL 76, 7074

Brad Dunn

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

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

Case Nos. 24361 & 24363 - 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 applications filed herein.
- 4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as 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: _ 4/27/2

James Bruce

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

April 11, 2024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

EXHIBIT 3-A

Ladies and gentlemen:

Mewbourne Oil Company has filed the following four applications with the Oil Conservation Division:

<u>Case No. 24361</u>: Mewbourne Oil Company seeks an order amending Order No. R-22574 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22574 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2NW/4 of Section 33 and the N/2N/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 33/32 WOCD Fed. Com. Well No. 1H.

Case No. 24363: Mewbourne Oil Company seeks an order amending Order No. R-22575 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22575 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 33 and the S/2N/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 33/32 WOFE Fed. Com. Well No. 1H.

Case No. 24364: Mewbourne Oil Company seeks an order amending Order No. R-22576 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22576 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2SW/4 of Section 33 and the N/2S/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 33/32 WOKL Fed. Com. Well No. 1H.

Case No. 24365: Mewbourne Oil Company seeks an order amending Order No. R-22577 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22577 (dated

March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2SW/4 of Section 33 and the S/2S/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 33/32 WONM Fed. Com. Well No. 1H.

The order requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. Applicant requests a one year extension because an APD for the well has not yet been approved.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, May 2, 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 at Sheila Apodaca at Sheila Apodaca at https://www.emnrd.nm.gov/ocd/hearing-info/ at Sheila Apodaca at <a hre 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, jamesbruc@aol.com.

Very truly yours,

James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

As to all Cases

Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102

Graine, LLC 2608 West Dengar Avenue Midland, Texas 79705

EOG Resources, Inc. Midland Division - Land Department P.O. Box 2267 Midland, Texas 79702

TR Oil Corp. 3100 Sycamore Road Dekalb, Illinois 60115

SEP Permian LLC Suite 1000 920 Memorial Way Houston, Texas 77024

Vladin LLC 319 West Main Street Artesia, New Mexico 88210

ConocoPhillips Company One Concho Center 600 West Illinois Avenue Midland, Texas 79701

OXY USA Inc. Suite 110 5 Greenway Plaza Houston, Texas 77046

KMK Energy, LLC 4506 North Walbaum Road Geary, Oklahoma 73040

As to Case Nos. 24361 and 24363

COG Operating LLC One Concho Center 600 West Illinois Avenue Midland, Texas 79701

Seventy-Seven Corp. Suite 3350 6 Desta Drive Midland, Texas 79705

Bilberry Exploration, Inc. Suite 202 2530 South Boulevard Houston, Texas 77098

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■ Complete items 1, 2, and 3. ■ 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 mailpiece, or on the front if space pemits. 1. Article Addressed to:	COG Operating LLC One Concho Center Got West Illinois Avenuc Midhand, Texas 79701	2. Artich Mumber Transfer from service label) PS Form 3811, July 2020 PSN 7530-02-000-9053

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For delivery information, visit our website at www.usps.com*.	or on the front if space permits. 1. Article Addressed to:	D. Is delivery address different from item 1? \(\begin{array}{c}\) Yes If YES, enter delivery address below: \(\begin{array}{c}\) No
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	COMPLETE THIS SECTION ON DELIVERY	97	S. Hecewood by (Printed Name) C. Date of Delivery	D. Is delivery address different from item 1? \(\text{TVes}\) / Yes / If YES, enter delivery address below: \(\text{DNo}\)			stricted Delivery	icted Delivery	A 6C Domestic Return Receipt
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N DELIVERY Addressee C. Date of Delivery M. 17 of M. 18 on item 1? Ves	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted □ Delivery □ Signature Confirmation™ □ Signature Confirmation □ Signature Confirmation □ Signature Confirmation	Domestic Return Receipt		
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CASE NOS. 24361 & 24363 - 24365

STATUS OF CERTIFIED NOTICE

INTEREST OWNER	MAILING DATE	RECEIPT DATE	CARD RETURNED		
<u>Case Nos. 24361 & 24363 - 24365</u>					
Devon Energy Production	April 11, 2024	April 18, 2024	Yes		
Graine, LLC	April 11, 2024	April 18, 2024	Yes		
ConocoPhillips Company	April 11, 2024	April 16, 2024	Yes		
TR Oil Corporation	April 11, 2024	Not returned	No		
SEP Permian LLC	April 11, 2024	Not returned	No		
Vladin LLC	April 11, 2024	April 19, 2024	Yes		
EOG Resources, Inc.	April 11, 2024	April 16, 2024	Yes		
OXY USA Inc.	April 11, 2024	Not returned	No		
KMK Energy, LLC	April 11, 2024	Not returned	No		
Case Nos. 24361 and 24363					
COG Operating LLC	April 11, 2024	April 16, 2024	Yes		
Seventy-Seven Corporation	April 11, 2024	Not returned	No		
Bilberry Corporation	April 11, 2024	April 15, 2024	Yes		

EXHIBIT 3-B



GANNETT

PO Box 631667 Cincinnati, OH 45263-1667

AFFIDAVIT 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:

04/17/2024

and that the fees charged are legal. Sworn to and subscribed before on 04/17/2024

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

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Case #24361-24365

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KATHLEEN ALLEN Notary Public State of Wisconsin NOTICE

To: Devon Energy Production Company, L.P., Graine, LLC, EOG Resources, Inc., TR Oil Corp., SEP Permian LLC, Vladin LLC, Concoephillips Company, OXY USA Inc., and KMK Energy, LLC (as to all cases); and COG Operating LLC, Seventy-Seven Corp., and Bilberry Exploration, Inc. (as to Cases 24361 and 24363), or your heirs, devisees, successors, or assigns. Mewbourne Oil Concorpory has filled the following four applications with the Oil Conservation Division:

Case No. 24361: Membourne Oil Company seeks an order amending Order No. R-22574 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22574 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcomp formation underlying a horizontal spacing unit comprised of the N/2NW/3 of Section 33 and the N/2NW/3 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 3372 WOCD Fed. Com. Well No.

Coss. No. 24363: Mewbourne Oil Company seeks an order amending Order No. R-22575 to extend the well commencement deadline one year. To March 39, 2023 noeled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the SZNWV4 of Section 33 and the SZNV7 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is discipled to the Overlord 33/32 WOFE Fed. Com. Well No.

1H; Case No. 24364: Mewbourne Qil Company seeks an order amending Order No. R-22576 to extend the well commencement deadline one year, to March 30, 2023. Order No. R-22576 (dated March 30, 2023) pooled uncommitted mineral interest owners, ling in the companied of the companied of the companied of the companied of the N/25W/4 of Section 33 and the N/25/2 of Section 32, Township 20 South, Range 28 East, NMPM. The unit is dedicated to the Overlord 33/32 WOKL Fed. Com. Well No. 1H; and

TH' and Case No. 24365: Mewbourne Oil Company seeks an order omending Order No. R-22577 to extend the well commencement deadline one year, to March 30, 2025. Order No. R-22577 (dated March 30, 2023) pooled uncommitted mineral interest owners in the Wolfcomp formation underlying a horizontal spacing unit comprised of the S/25W/a of Section 33, and the S/25 of Section 32, Towns 10 Section 30, 100 Member 10, 10

The lands are located in Eddy County, New Mexico. The orders require the commencement of drilling within one year of the dates of the orders unless the operator obtains an extension by amendment of the order for good cause shown. Applicant requests a one year extension of the orders because APDs for the wells have not yet been approved.

These matters are scheduled for hearing at 8:15 a.m. or Thursdoy, May 2, 2024. The hearing may be attended (a in person in Pecos Hall of the Wendell Chino Building, Is Floor, 122 South St. Francis Drive, Santa Fe. New Mexico 87505, or (b) via the WebEx virtual meeting plot form. To view the hearing docket and to determine how the state of th

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY TO AMEND ORDER NO. R-22575 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 24363

APPLICATION

Mewbourne Oil Company applies for an order amending Order No. R-22575 to extend the well commencement deadline one year, and in support thereof states:

- 1. Order No. R-22575 (entered in Case No. 22642) pooled all uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 33 and the S/2N/2 of Section 32, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.
- 2. Applicant proposes to drill the Overlord 33/32 WOFE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 33 and a last take point in the SW/4NW/4 of Section 32. Order No. R-22575 designated applicant as operator of the well unit.
- 3. Case No. 22642 was heard on November 17, 2022, and Order No. R-22575 was entered on March 30, 2023, pooling the well unit.
- 4. Paragraph 19 of Order No. R-22575 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by amending this Order for good cause shown."
- . 5. Applicant has the subject well on its drilling schedule. Although the operator (applicant) submitted an APD to the Bureau of Land Management some time ago, the APD has not yet been approved. Applicant cannot commence the well without an approved APD and the

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assignment of an API No. by the Division. Thus good cause exists for Applicant's request for an extension.

6. Applicant requests an extension of the well commencement deadline to March 30, 2025.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-22575 to extend the well commencement deadline to March 30, 2025.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company