

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

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

CASE NO. 25224

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Brad Dunn
A-1	Application & Proposed Notice of Hearing
A-2	C-102s
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Tyler Hill
B-1	Location Map
B-2	Subsea Structure Map, Structural Cross Section
B-3	Stratigraphic Cross-Section
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Notice Letter to All Interested Parties Sent February 12, 2025
C-2	Postal Delivery Report
C-3	Electronic Return Receipt
C-3	Affidavit of Publication for February 27, 2025

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25224	APPLICANT'S RESPONSE
Date: April 10, 2025	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	Marathon Oil Permian, LLC; COG Operating LLC; EOG Resources, Inc.
Well Family	Queen
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Willow Lake; Bone Spring Pool (Code 64450)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	quarter-quarter
Orientation:	West to East
Description: TRS/County	S/2 SE/4 of Section 23 and the S/2 S/2 of Section 24, Township 24 South, Range 27 East, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Queen 23/24 Fed Com #558H SHL: 1640' FSL & 2150' FWL (Unit K), Section 23, T24S-R28E BHL: 330' FSL & 100' FEL (Unit P), Section 24, T24S-R28E Completion Target: Bone Spring (Approx. 8,836' TVD)
Well #2	Queen 23/24 Fed Com #458H SHL: 1660' FSL & 2150' FWL (Unit K), Section 23, T24S-R28E BHL: 450' FSL & 100' FEL (Unit P), Section 24, T24S-R28E Completion Target: Bone Spring (Approx. 7,456' TVD)
Well #3	Queen 23/24 Fed Com #528H SHL: 1680' FSL & 2150' FWL (Unit K), Section 23, T24S-R28E BHL: 660' FSL & 100' FEL (Unit P), Section 24, T24S-R28E Completion Target: Bone Spring (Approx. 8,426' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3

Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibits B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	3/31/2025

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

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

Case No. 25224

**SELF-AFFIRMED STATEMENT
OF BRAD DUNN**

1. I am a Landman with Mewbourne Oil Company (“Mewbourne”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of Mewbourne’s Application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. Mewbourne applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SE/4 of Section 23 and the S/2 S/2 of Section 24, Township 24 South, Range 28 East, Eddy County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Queen 23/24 Fed Com #558J (H3OP)**, **Queen 23/24 Fed Com #458H (B1OP)**, and **Queen 23/24 Fed Com #528H (B2OP)** wells (“Wells”), which will be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 23 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 24.

6. The completed intervals of the Wells will be orthodox.

**Mewbourne Oil Company
Case No. 25224
Exhibit A**

7. **Exhibit A-2** contains the C-102s for the Wells.

8. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Mewbourne seeks to pool highlighted in yellow.

9. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to the working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

10. Mewbourne has conducted a diligent search of all county public records, including phone directories, internet searches, and computer databases, to identify all potential addresses and contact information for each interest owner it seeks to pool.

11. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.

12. Mewbourne requests overhead and administrative rates of \$8,000.00 per month while the Wells are being drilled and \$800.00 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Mewbourne and other operators in the vicinity.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

15. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony 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.



Brad Dunn



Date

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

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

CASE NO. _____

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company, (OGRID No. 14744) (“Applicant”) applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SE/4 of Section 23 and the S/2 S/2 of Section 24, Township 24 South, Range 28 East, Eddy County, New Mexico (“Unit”). In support of its application, Mewbourne states the following:

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Queen 23/24 Fed Com #558H (H3OP); Queen 23/24 Fed Com #458H (B1OP)**, and **Queen 23/24 Fed Com #528H (B2OP)** wells (“Wells”), which will be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 23 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 24.
3. The completed intervals of the Wells will be orthodox.
4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.
5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and the Unit.

**Mewbourne Oil Company
Case No. 25224
Exhibit A-1**

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Mewbourne Oil Company

Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SE/4 of Section 23 and the S/2 S/2 of Section 24, Township 24 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Queen 23/24 Fed Com #558H (H3OP); Queen 23/24 Fed Com #458H (B1OP), and Queen 23/24 Fed Com #528H (B2OP)** wells (“Wells”), which will be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 23 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 24. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 10 miles southeast of Carlsbad, New Mexico.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Exhibit A-2 Revised July 9, 2024
	Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 64450	Pool Name Willow Lake; Bone Spring
Property Code	Property Name QUEEN 23/24 FED COM	Well Number 458H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 2968'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	23	24S	28E		1660 FSL	2150 FWL	32.2005089°N	104.0599002°W	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	24	24S	28E		450 FSL	100 FEL	32.1970015°N	104.0324327°W	EDDY

Dedicated Acres 240	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	23	24S	28E		450 FSL	2214 FWL	32.1971823°N	104.0596192°W	EDDY

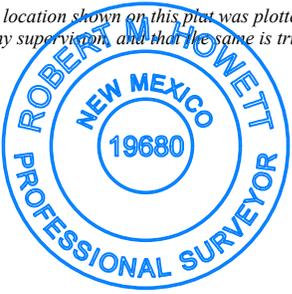
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	23	24S	28E		450 FSL	2587 FEL	32.1971615°N	104.0577673°W	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor <i>Robert M. Howett</i>
Printed Name _____	Certificate Number 19680 Date of Survey 05/22/2024
Email Address _____	

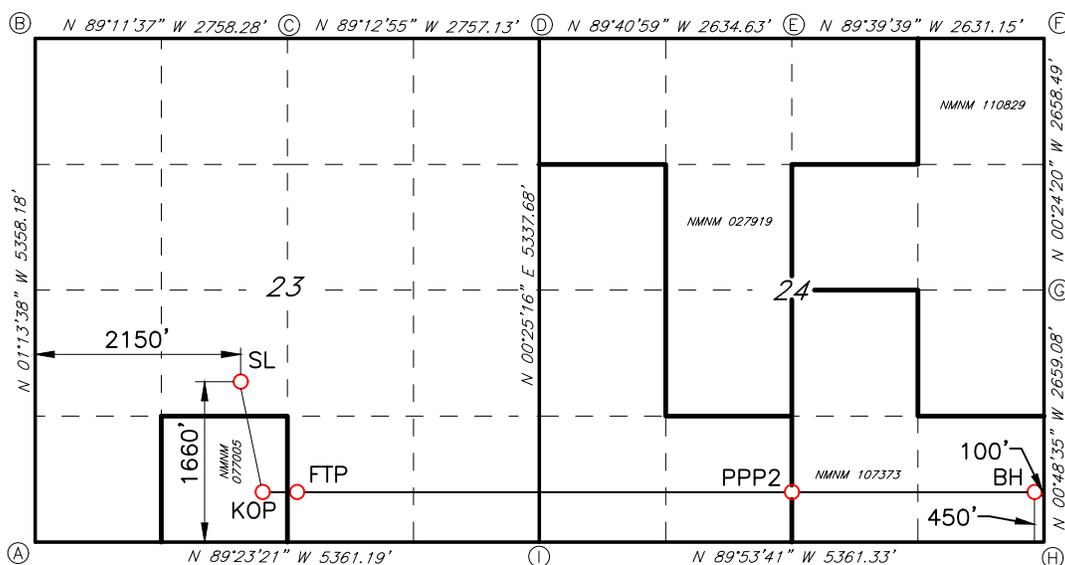
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

QUEEN 23/24 FED COM #458H



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 436787.0 - E: 625913.7
LAT: 32.2005089° N
LONG: 104.0599002° W

KICK OFF POINT (KOP)
450' FSL & 2214' FWL (SEC.23)
N: 435577.0 - E: 626003.7
LAT: 32.1971823° N
LON: 104.0596192° W

FIRST TAKE POINT (FTP)
450' FSL & 2587' FEL (SEC.23)
N: 435570.9 - E: 626576.5
LAT: 32.1971615° N
LONG: 104.0577673° W

PROPOSED PENETRATION POINT 2 (PPP2)
457' FSL & 2675' FEL (SEC.24)
N: 435546.0 - E: 631839.0
LAT: 32.1970547° N
LONG: 104.0407549° W

BOTTOM HOLE (BH)
N: 435533.7 - E: 634413.3
LAT: 32.1970015° N
LONG: 104.0324327° W

CORNER DATA
NAD 83 GRID - NM EAST

- A: FOUND BRASS CAP "1942"
N: 435150.7 - E: 623799.8
- B: FOUND BRASS CAP "1942"
N: 440506.4 - E: 623685.1
- C: FOUND BRASS CAP "1942"
N: 440467.6 - E: 626442.5
- D: FOUND BRASS CAP "1942"
N: 440429.9 - E: 629198.7
- E: FOUND BRASS CAP "1942"
N: 440415.3 - E: 631832.7
- F: FOUND BRASS CAP "1942"
N: 440399.7 - E: 634463.3
- G: FOUND BRASS CAP "1942"
N: 437741.9 - E: 634482.1
- H: FOUND BRASS CAP "1942"
N: 435083.7 - E: 634519.6
- I: FOUND BRASS CAP "1942"
N: 435093.5 - E: 629159.5

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number	Pool Code 64450	Pool Name Willow Lake; Bone Spring
Property Code	Property Name QUEEN 23/24 FED COM	Well Number 528H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 2968'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	23	24S	28E		1680 FSL	2150 FWL	32.2005640°N	104.0599015°W	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	24	24S	28E		660 FSL	100 FEL	32.1975786°N	104.0324404°W	EDDY

Dedicated Acres 240	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	23	24S	28E		660 FSL	2217 FWL	32.1977595°N	104.0596222°W	EDDY

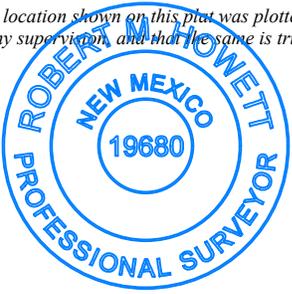
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	23	24S	28E		660 FSL	2590 FEL	32.1977386°N	104.0577703°W	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>	
Signature _____ Date _____	Signature and Seal of Professional Surveyor <i>Robert M. Howett</i>	
Printed Name _____	Certificate Number 19680	Date of Survey 10/13/2022
Email Address _____		

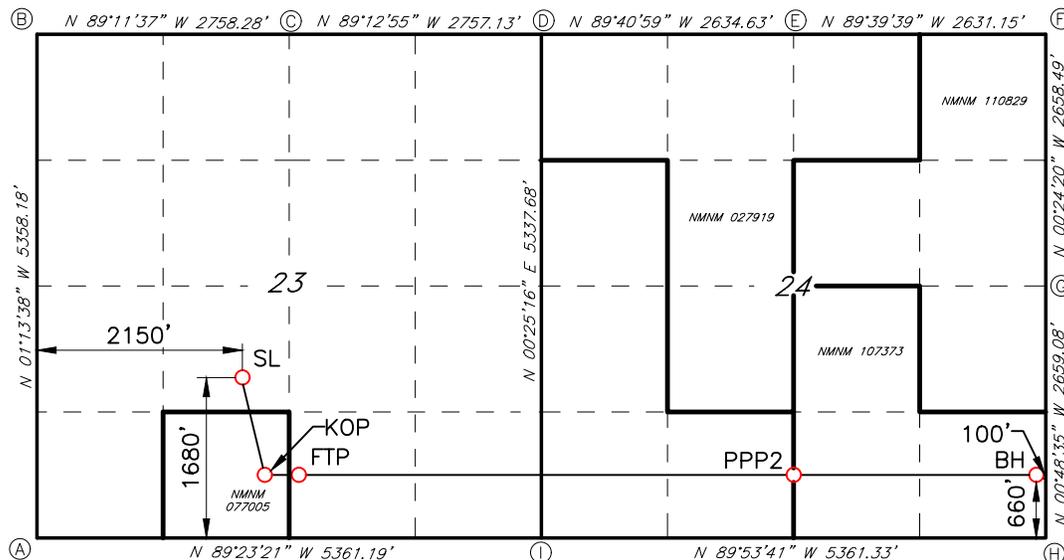
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QUEEN 23/24 FED COM #528H



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 436807.0 - E: 625913.2
LAT: 32.2005640° N
LONG: 104.0599015° W

KICK OFF POINT (KOP)
660' FSL & 2217' FWL (SEC.23)
N: 435787.0 - E: 626002.2
LAT: 32.1977595° N
LONG: 104.0596222° W

FIRST TAKE POINT (FTP)
660' FSL & 2590' FEL (SEC.23)
N: 435780.9 - E: 626575.1
LAT: 32.1977386° N
LONG: 104.0577703° W

PROPOSED PENETRATION POINT 2 (PPP2)
667' FSL & 2672' FEL (SEC.24)
N: 435755.9 - E: 631838.7
LAT: 32.1976317° N
LONG: 104.0407539° W

BOTTOM HOLE (BH)
N: 435743.7 - E: 634410.3
LAT: 32.1975786° N
LONG: 104.0324404° W

CORNER DATA
NAD 83 GRID - NM EAST

- A: FOUND BRASS CAP "1942"
N: 435150.7 - E: 623799.8
- B: FOUND BRASS CAP "1942"
N: 440506.4 - E: 623685.1
- C: FOUND BRASS CAP "1942"
N: 440467.6 - E: 626442.5
- D: FOUND BRASS CAP "1942"
N: 440429.9 - E: 629198.7
- E: FOUND BRASS CAP "1942"
N: 440415.3 - E: 631832.7
- F: FOUND BRASS CAP "1942"
N: 440399.7 - E: 634463.3
- G: FOUND BRASS CAP "1942"
N: 437741.9 - E: 634482.1
- H: FOUND BRASS CAP "1942"
N: 435083.7 - E: 634519.6
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C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Submittal Type:	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code 64450	Pool Name Willow Lake; Bone Spring
Property Code	Property Name QUEEN 23/24 FED COM	Well Number 558H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY	Ground Level Elevation 2968'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	23	24S	28E		1640 FSL	2150 FWL	32.2004542°N	104.0598993°W	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	24	24S	28E		330 FSL	100 FEL	32.1966717°N	104.0324283°W	EDDY

Dedicated Acres 240	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
N	23	24S	28E		330 FSL	2212 FWL	32.1968525°N	104.0596174°W	EDDY

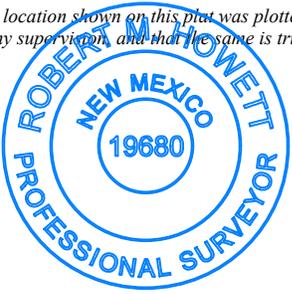
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	23	24S	28E		330 FSL	2585 FEL	32.1968317°N	104.0577656°W	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
---	---	-------------------------

<p>OPERATOR CERTIFICATIONS</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p>SURVEYOR CERTIFICATIONS</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor <i>Robert M. Howett</i>
Printed Name _____	Certificate Number 19680 Date of Survey 05/22/2024
Email Address _____	

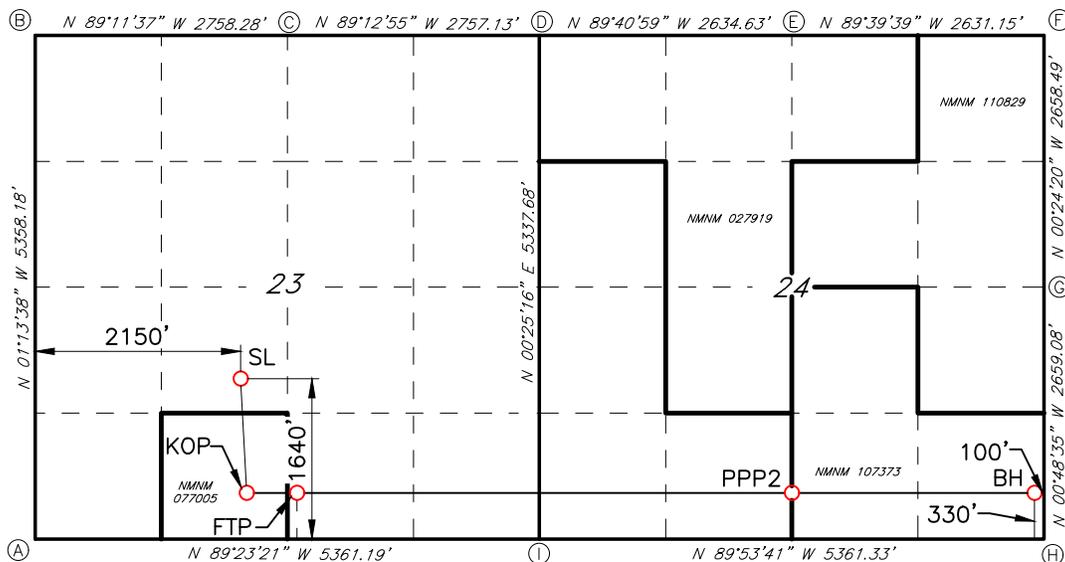
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

QUEEN 23/24 FED COM #558H



GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 436767.1 - E: 625914.0
LAT: 32.2004542° N
LONG: 104.0598993° W

KICK OFF POINT (KOP)
330' FSL & 2212' FWL (SEC.23)
N: 435457.1 - E: 626004.5
LAT: 32.1968525° N
LONG: 104.0596174° W

FIRST TAKE POINT (FTP)
330' FSL & 2585' FEL (SEC.23)
N: 435451.0 - E: 626577.4
LAT: 32.1968317° N
LONG: 104.0577656° W

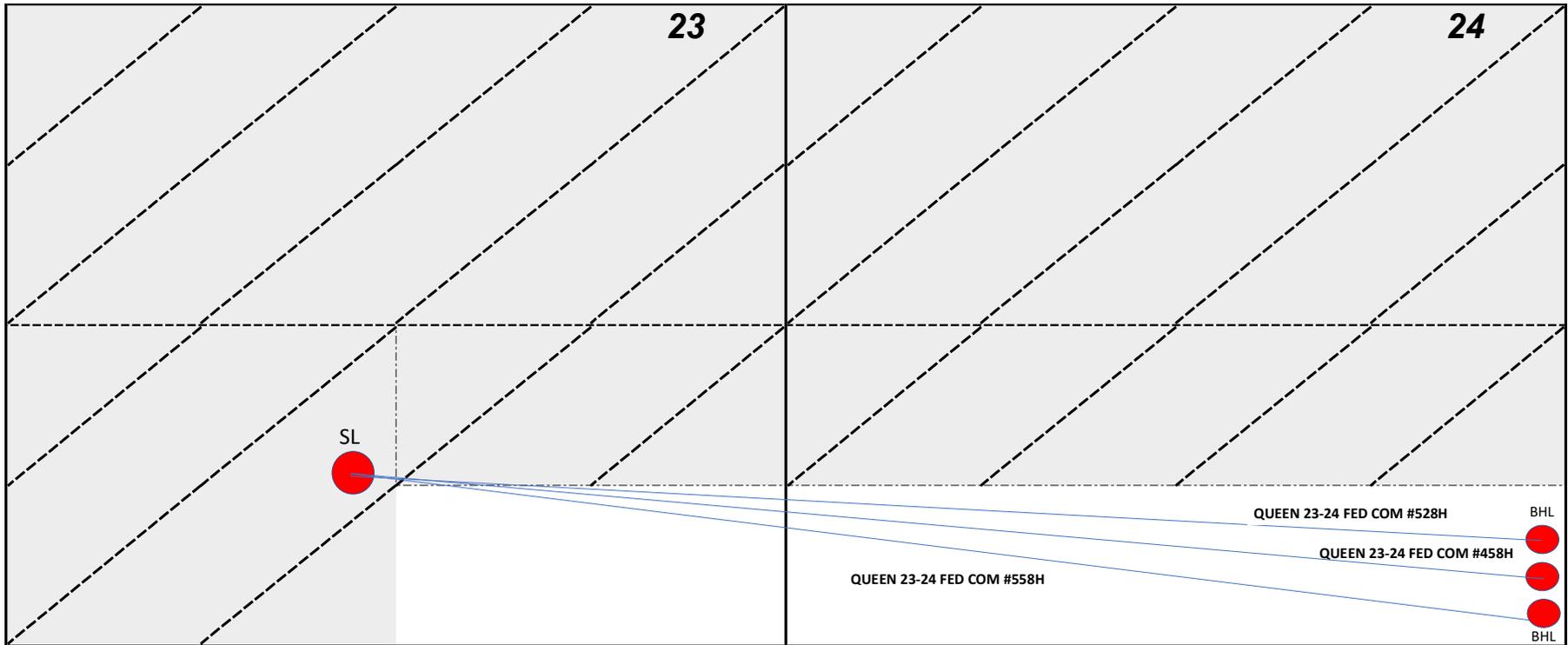
PROPOSED PENETRATION POINT 2 (PPP2)
337' FSL & 2678' FWL (SEC.24)
N: 435426.0 - E: 631839.1
LAT: 32.1967249° N
LONG: 104.0407554° W

BOTTOM HOLE (BH)
N: 435413.8 - E: 634415.0
LAT: 32.1966717° N
LONG: 104.0324283° W

CORNER DATA
NAD 83 GRID - NM EAST

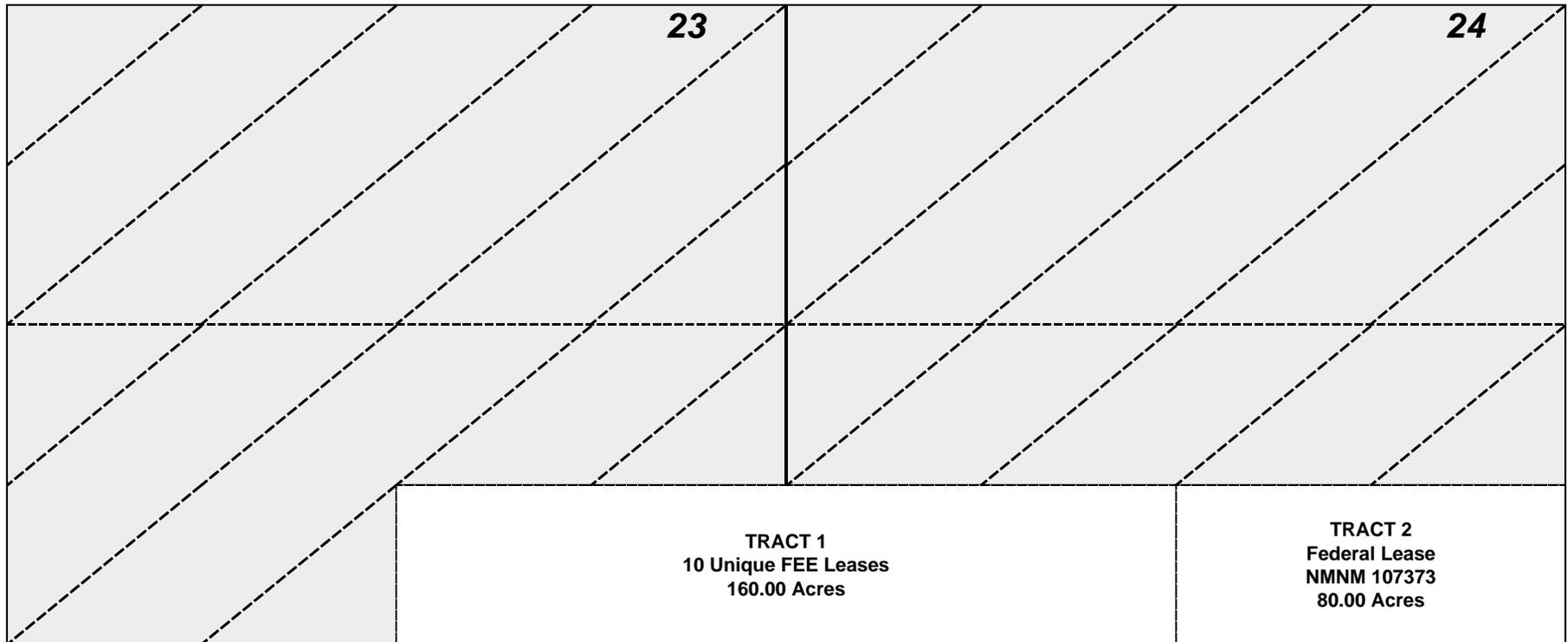
- A: FOUND BRASS CAP "1942"
N: 435150.7 - E: 623799.8
- B: FOUND BRASS CAP "1942"
N: 440506.4 - E: 623685.1
- C: FOUND BRASS CAP "1942"
N: 440467.6 - E: 626442.5
- D: FOUND BRASS CAP "1942"
N: 440429.9 - E: 629198.7
- E: FOUND BRASS CAP "1942"
N: 440415.3 - E: 631832.7
- F: FOUND BRASS CAP "1942"
N: 440399.7 - E: 634463.3
- G: FOUND BRASS CAP "1942"
N: 437741.9 - E: 634482.1
- H: FOUND BRASS CAP "1942"
N: 435083.7 - E: 634519.6
- I: FOUND BRASS CAP "1942"
N: 435093.5 - E: 629159.5

QUEEN 23-24 FED COM #458H
QUEEN 23-24 FED COM #528H
QUEEN 23-24 FED COM #558H
S/2SE/4 Section 23 & S/2S/2 Section 24 , T24S, R28E
Eddy County, New Mexico



Mewbourne Oil Company
Case No. 25224
Exhibit A-3

Section Plat
QUEEN 23-24 FED COM #458H
QUEEN 23-24 FED COM #528H
QUEEN 23-24 FED COM #558H
S/2SE/4 Section 23 & S/2S/2 Section 24 , T24S, R28E
Eddy County, New Mexico



Tract No. 1: S/2SE/4 Section 23 & S/2SW/4 Section 24— FEE Leases

Mewbourne Oil Company, et al

Marathon Oil Permian LLC

TBO Oil & Gas, LLC

OXY USA Inc.

Chevron Midcontinent, LP

COG Operating LLC

Occidental Permian Limited Partnership

Barney Martin Partners

MRC Permian Company

EOG Resources, Inc.

Tract No. 2: S/2SE/4 Section 24— FEDERAL LEASE NMNM 107373

Marathon Oil Permian LLC

TBO Oil & Gas, LLC

OXY USA Inc.

Chevron Midcontinent, LP

COG Operating LLC

Occidental Permian Limited Partnership

TRACT OWNERSHIP
QUEEN 23-24 FED COM #458H
QUEEN 23-24 FED COM #528H
QUEEN 23-24 FED COM #558H
S/2SE/4 of Section 23 & S/2S/2 of Section 24, T24S, R28E
Eddy County, New Mexico

S/2SE/4 of Section 23 & S/2S/2 of Section 24, T24S, R28E:
Bone Spring formation:

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	26.825410%
EOG Resources, Inc.*	33.333333%
MRC Permian Company*	13.762500%
Chevron Midcontinent, LP *	10.000000%
OXY USA Inc. *	6.215510%
COG Operating LLC *	5.328913%
Marathon Oil Permian LLC *	2.769877%
Occidental Permian Limited Partnership *	1.477677%
Barney Martin Partners*	0.281250%
<u>TBO Oil & Gas, LLC</u>	<u>0.005530%</u>
TOTAL	100.000000%

*** Total interest being pooled: 73.174590%**

OWNERSHIP BY TRACT

SW4SE4 Sec. 23 (40 acres):

	<u>% Leasehold Interest</u>
EOG Resources, Inc.	<u>100.000000%</u>
	100.000000%

*Parties to be pooled are highlighted in yellow.

SE4SE4 Sec. 23 (40 acres):

	<u>% Leasehold Interest</u>
EOG Resources, Inc.	<u>100.000000%</u>
	100.000000%

SW4SW4 Section 24 (40.00 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	<u>98.500000%</u>
Barney Martin Partners	<u>1.500000%</u>
	100.000000%

SE4SW4 Section 24 (40.00 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	<u>17.237500%</u>
Barney Martin Partners	0.187500%
MRC Permian Company	<u>82.575000%</u>
	100.000000%

S2SE4 Section 24 (80.00 Acres):

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al	<u>22.607480%</u>
Chevron Midcontinent, LP	30.000000%
OXY USA Inc.	18.646530%
COG Operating LLC	15.986740%
Marathon Oil Permian LLC	8.309630%
Occidental Permian Limited Partnership	4.433030%
TBO Oil & Gas, LLC	<u>0.016590%</u>
	100.000000%

RECAPITULATION

**QUEEN 23-24 FED COM #458H
QUEEN 23-24 FED COM #528H
QUEEN 23-24 FED COM #558H
S/2SE/4 Section 23 & S/2S/2 Section 24 , T24S, R28E
Eddy County, New Mexico**

Tract Number	Number of Acres Committed	Percentage of Interest In Communitized Area
1	160.00	66.666667%
2	80.00	33.333333%
TOTAL	240.00	100.000000%

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

January 8, 2025

Via Certified Mail

COG Operating LLC
600 W. Illinois Avenue
Midland, Texas 79701
Attn: Land Manager

Re:

1. QUEEN 23/24 FED COM #406H (B1JI) AFE
2. QUEEN 23/24 FED COM #458H (B1OP) AFE
3. QUEEN 23/24 FED COM #525H (B2JI) AFE
4. QUEEN 23/24 FED COM #528H (B2OP) AFE
5. QUEEN 23/24 FED COM #556H (H3JI) AFE
6. QUEEN 23/24 FED COM #558H (H3OP) AFE
7. Queen 23/24 Joint Operating Agreement dated December 1, 2024, covering the SE/4 of Section 23 and the S/2 of Section 24, T24S, R28E, Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 480.00 acre, more or less, Working Interest Unit ("WIU") covering the SE/4 of Section 23 and the S/2 of Section 24, T24S, R28E, Eddy County, for oil and gas production. The targeted interval for the proposed units is the Bone Spring formation. Mewbourne hereby proposes to drill the following horizontal Bone Spring wells:

1. QUEEN 23/24 FED COM #406H (B1JI) will have a surface location 1760' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 1770' FSL & 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 7,467' and an approximate total measured depth of 15,450'. The N/2SE/4 of Section 23 & the N/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.
2. QUEEN 23/24 FED COM #458H (B1OP) will have a surface location 1660' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 450' FSL & 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 7,456' and an approximate total measured depth of 15,550'. The S/2SE/4 of Section 23 & the S/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.
3. QUEEN 23/24 FED COM #525H (B2JI) will have a surface location 1740' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 2100' FSL

Mewbourne Oil Company
Case No. 25224
Exhibit A-4

& 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 8,427' and an approximate total measured depth of 16,450'. The N/2SE/4 of Section 23 & the N/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.

1. QUEEN 23/24 FED COM #528H (B2OP) will have a surface location 1660' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 660' FSL & 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 8,426' and an approximate total measured depth of 15,550'. The S/2SE/4 of Section 23 & the S/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.
2. QUEEN 23/24 FED COM #556H (H3JI) will have a surface location 1720' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 1980' FSL & 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 8,836' and an approximate total measured depth of 16,850'. The N/2SE/4 of Section 23 & the N/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.
3. QUEEN 23/24 FED COM #558H (H3OP) will have a surface location 1640' FSL & 2150' FWL of the above captioned Section 23 and a bottom hole location approximately 330' FSL & 100' FEL of the above captioned Section 24. We anticipate drilling to an approximate true vertical depth of 8,836' and an approximate total measured depth of 17,000'. The S/2SE/4 of Section 23 & the S/2S/2 of Section 24 will be dedicated to this well as the 240-acre proration unit.

Regarding the above, enclosed for your further handling are our AFEs dated October 29, 2024, for the captioned proposed wells. In the event your firm elects to participate in the proposed wells, please execute the enclosed AFEs and return them to me within thirty (30) days.

Our proposed Operating Agreement will have COPAS rates of \$12,000/month while drilling, \$1200/month for a producing well and a non-consent penalty of 100%/300%. Should you wish to participate, please email me at bdunn@mewbourne.com and I will promptly email you a copy of the Queen 23/24 Operating Agreement dated December 1, 2024, for your review.

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

Sincerely,

MEWBOURNE OIL COMPANY



Brad Dunn
Petroleum Landman

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Well Name:	QUEEN 23/24 FED COM #558H (H3OP)	Prospect:	QUEEN 23/24
Location:	SL: 1640 FSL & 2150 FWL (23); BHL: 330 FSL & 100 FEL (24)	County:	Eddy ST: NM
Sec. 23	Blk:	Survey:	TWP: 24S RNG: 28E Prop. TVD: 8836 TMD: 17000

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$35,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$150,000	0180-0206	\$60,000
Daywork / Turnkey / Footage Drilling 14 days drlg / 3 days comp @ \$27000/d	0180-0110	\$403,700	0180-0210	\$86,500
Fuel 1700 gal/day @ \$3.9/gal	0180-0114	\$99,100	0180-0214	\$112,000
Alternate Fuels	0180-0115		0180-0215	\$83,000
Mud, Chemical & Additives	0180-0120	\$40,000	0180-0220	
Mud - Specialized	0180-0121	\$240,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$165,000
Stimulation Toe Preparation			0180-0223	\$21,000
Cementing	0180-0125	\$165,000	0180-0225	\$55,000
Logging & Wireline Services	0180-0130	\$23,100	0180-0230	\$276,000
Casing / Tubing / Snubbing Services	0180-0134	\$45,000	0180-0234	\$18,000
Mud Logging	0180-0137	\$15,000		
Stimulation 45 Stg 18.7 MM gal / 18.7 MM lb			0180-0241	\$1,935,000
Stimulation Rentals & Other			0180-0242	\$221,000
Water & Other 100% PW @ \$0.25/bbl f/ CWMS	0180-0145	\$40,000	0180-0245	\$119,000
Bits	0180-0148	\$64,100	0180-0248	
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services	0180-0154		0180-0254	\$10,000
Testing & Flowback Services	0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig			0180-0260	\$10,500
Rig Mobilization	0180-0164	\$57,000		
Transportation	0180-0165	\$30,000	0180-0265	\$40,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$16,500
Contract Services & Supervision	0180-0170	\$108,300	0180-0270	\$56,000
Directional Services Includes Vertical Control	0180-0175	\$350,000		
Equipment Rental	0180-0180	\$119,800	0180-0280	\$25,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$4,400	0180-0285	
Intangible Supplies	0180-0188	\$20,000	0180-0288	\$1,000
Damages	0180-0190	\$40,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$68,400	0180-0295	\$32,400
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$110,900	0180-0299	\$172,100
TOTAL		\$2,329,800		\$3,614,000

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 325' - 13 3/8" 54.5# J-55 BT&C @ \$44.98/ft	0181-0794	\$15,600		
Casing (8.1" - 10.0") 2525' - 9 5/8" 40# HPP-110 BT&C @ \$36.53/ft	0181-0795	\$98,500		
Casing (6.1" - 8.0") 8300' - 7" 29# HCP-110 LT&C @ \$30.17/ft	0181-0796	\$267,400		
Casing (4.1" - 6.0") 8700' - 4 1/2" 13.5# P-110 CDC-HTQ @ \$17.99/ft			0181-0797	\$167,200
Tubing 8200' - 3 1/2" 9.2# L-80 IPC Tbg @ \$15.5/ft			0181-0798	\$135,700
Drilling Head	0181-0860	\$50,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift			0181-0880	\$25,000
Service Pumps (1/12) (2)TP/(2)CP/CIRC PUMP			0181-0886	\$9,000
Storage Tanks (1/12) (6)OT/(6)WT/(2)GB			0181-0890	\$22,000
Emissions Control Equipment (1/12) (5)VRT/(2)VRU/(1)FLARE/(3)KO/(1)AIR			0181-0892	\$58,000
Separation / Treating Equipment (1/12) (1)BULK H SEP/(4)TEST H SEP/(5)V SEP/(4)VHT/(1)H			0181-0895	\$23,000
Automation Metering Equipment			0181-0898	\$84,000
Oil/Gas Pipeline-Pipe/Valves&Misc			0181-0900	\$31,000
Water Pipeline-Pipe/Valves & Misc			0181-0901	\$13,000
On-site Valves/Fittings/Lines&Misc			0181-0906	\$119,000
Wellhead Flowlines - Construction			0181-0907	\$107,000
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$113,000
Equipment Installation			0181-0910	\$63,000
Oil/Gas Pipeline - Construction			0181-0920	\$52,000
Water Pipeline - Construction			0181-0921	\$13,000
TOTAL		\$431,500		\$1,139,900
SUBTOTAL		\$2,761,300		\$4,753,900

	TOTAL WELL COST	\$7,515,200
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Insurance procured for the Joint Account by Operator

Opt-in. I elect to be covered by Operator's Extra Expense, Commercial General Liability, Pollution Legal Liability, and Excess/Umbrella Insurance Policies, and will pay my proportionate share of the premiums associated with these insurance coverages through joint account billings.

Opt-out. I elect to purchase my own policies for well control and other insurance requirements, or to self-insure (if applicable). By opting-out, I recognize I will be responsible for my own coverage and will not be afforded protection under operator's policies.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's insurance.

Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: <u>Ryan McDaniel</u>	Date: <u>10/29/2024</u>
Company Approval: <u><i>M. Whittall</i></u>	Date: <u>10/29/2024</u>

Joint Owner Interest: _____ Amount: _____	Signature: _____
Joint Owner Name: _____	

Summary of Communications

QUEEN 23-24 FED COM #458H

QUEEN 23-24 FED COM #528H

QUEEN 23-24 FED COM #558H

S/2SE/4 of Section 23 & S/2S/2 of Section 24, T24S, R28E

Eddy County, New Mexico

Chevron Midcontinent LP

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/28/2025: Well proposal letter with AFEs delivered to owner.
- 3) 2/24/2025: Email and phone correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options. Mewbourne is in deep discussions with owner to work something out and are close to an agreement.

EOG Resources Inc.

- 1) 1/7/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/11/2025: Well proposal letter with AFEs delivered to owner.
- 3) 1/16/2025: Email and phone correspondence with owner regarding their interest. Answered owner's questions.
- 4) 1/23/2025: Email correspondence with owner regarding their interest. Answered owner's questions.
- 5) 2/3/2025: Email correspondence with owner regarding their interest. Answered owner's questions.
- 6) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options. Mewbourne is in deep discussions with owner to work something out and are close to an agreement.

Barney Martin Partners

- 1) 1/9/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 2/24/2025: AFEs are returned to sender due to bad address.
- 3) 2/25/2025: Detailed search on internet for a better address of owner.
- 4) 12/13/2024: No good address, email, or phone contact for owner found other than what was listed on the last document found of record at the courthouse.

COG Operating LLC

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/17/2025: Well proposal letter with AFEs delivered to owner.
- 3) 1/30/2025: Email and phone correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options.

Marathon Oil Permian LLC

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/17/2025: Well proposal letter with AFEs delivered to owner.
- 3) 2/13/2025: Email correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options.

MRC Permian Company

- 1) 1/9/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/18/2025: Well proposal letter with AFEs delivered to owner.
- 3) 1/24/2025: Email correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options.

OXY USA Inc.

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/18/2025: Well proposal letter with AFEs delivered to owner.
- 3) 1/27/2025: Email and phone correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options.

Occidental Permian Limited Partnership

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/18/2025: Well proposal letter with AFEs delivered to owner.
- 3) 1/27/2025: Email and phone correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner still has not signed the AFEs or JOA and is still evaluating all options.

TBO Oil & Gas, LLC

- 1) 1/8/2025: Well proposal letter with AFEs are sent via certified mail.
- 2) 1/29/2025: Well proposal letter with AFEs delivered to owner.
- 3) 2/6/2025: Email correspondence with owner regarding their interest. Answered owner's questions.
- 4) 2/26/2025: Owner has decided to go non-consent under the pooling order and does not want to participate in these wells.

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

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

Case No. 25224

**SELF-AFFIRMED STATEMENT
OF TYLER HILL**

1. I am employed by Mewbourne Oil Company (“Mewbourne”) as a geologist. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a general location map that depicts the Queen Fed Com spacing unit.

4. **Exhibit B-2** is a subsea structure map for the Bone Spring formation that is representative of the targeted intervals. The contour intervals are 100 feet. The approximate wellbore paths for Queen 23/24 Fed Com #558H (H3OP), Queen 23/24 Fed Com #458H (B1OP), and Queen 23/24 Fed Com #528H (B2OP) wells (“Wells”) are depicted by dashed lines. Existing producing wells in the targeted interval are represented by solid lines. The map demonstrates the formation is gently dipping to the east in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. Exhibit B-2 also identifies three wells penetrating the targeted intervals that I used to prepare a structural cross-section from A to A’. I used these well logs because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the area.

**Mewbourne Oil Company
Case No. 25224
Exhibit B**

6. **Exhibit B-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown on Exhibit B-2. Each well log on the cross-section contains gamma ray, resistivity and porosity. The proposed landing zones for the wells are labeled on the exhibit. This cross-section demonstrates that the target interval is continuous across the Units.

7. In my opinion, a laydown orientation for the proposed Wells is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend.

8. Based on my geologic study of the area, the targeted interval underlying the Units is suitable for development by horizontal wells and the tracts comprising the Units will contribute more or less equally to the production of the Wells.

9. In my opinion, the granting of Mewbourne's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

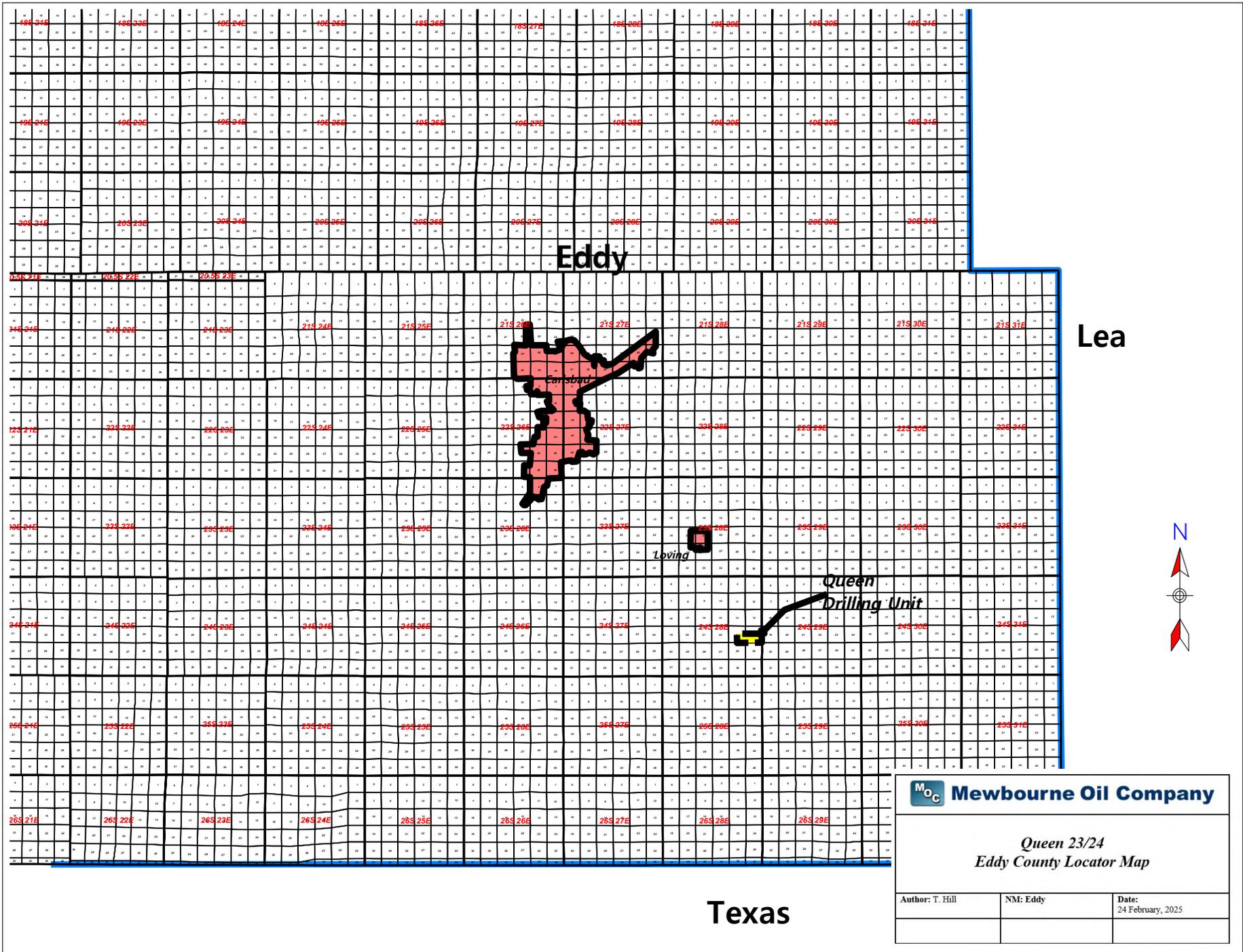
11. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.



Tyler Hill

2/24/25

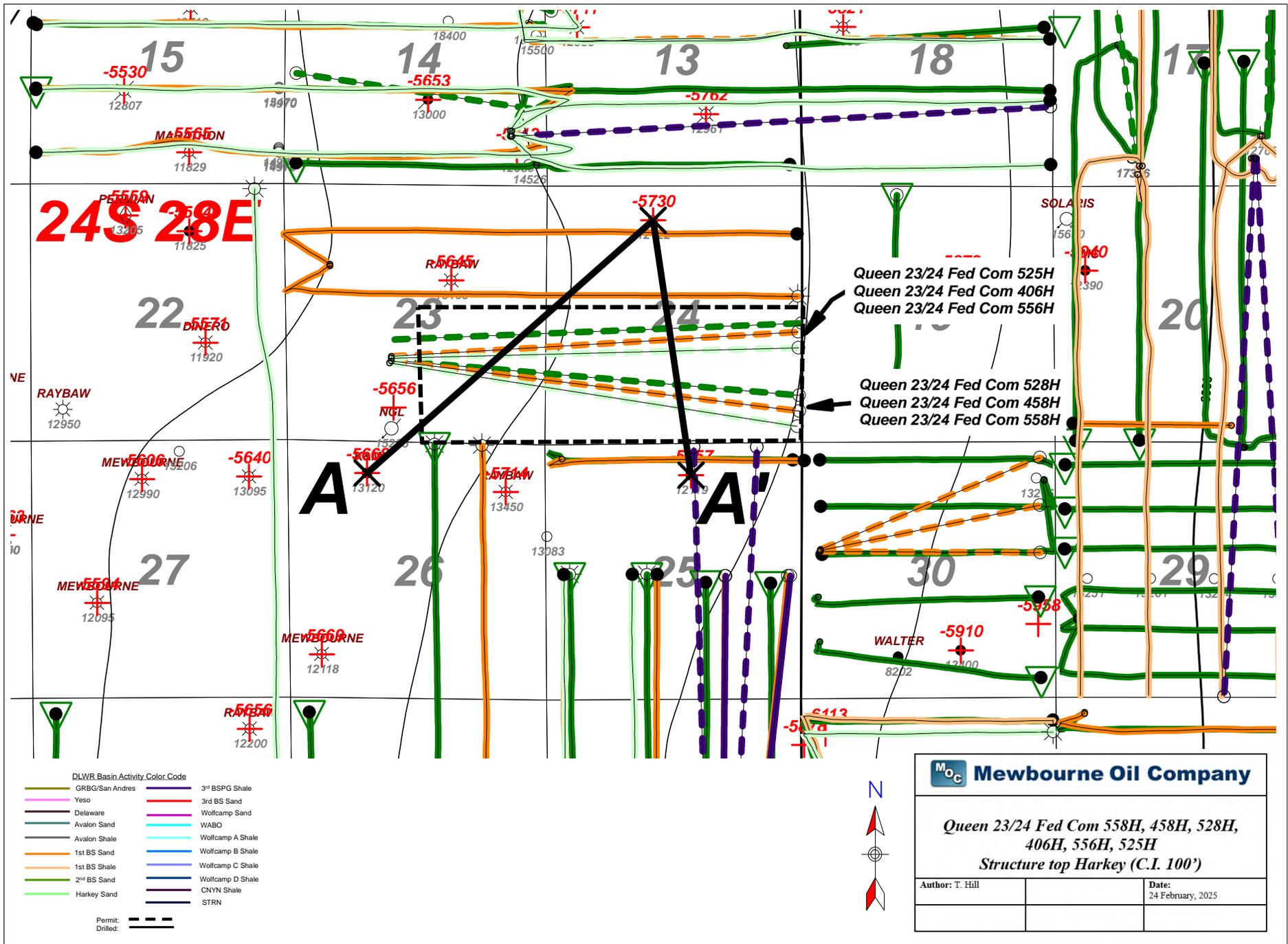
Date



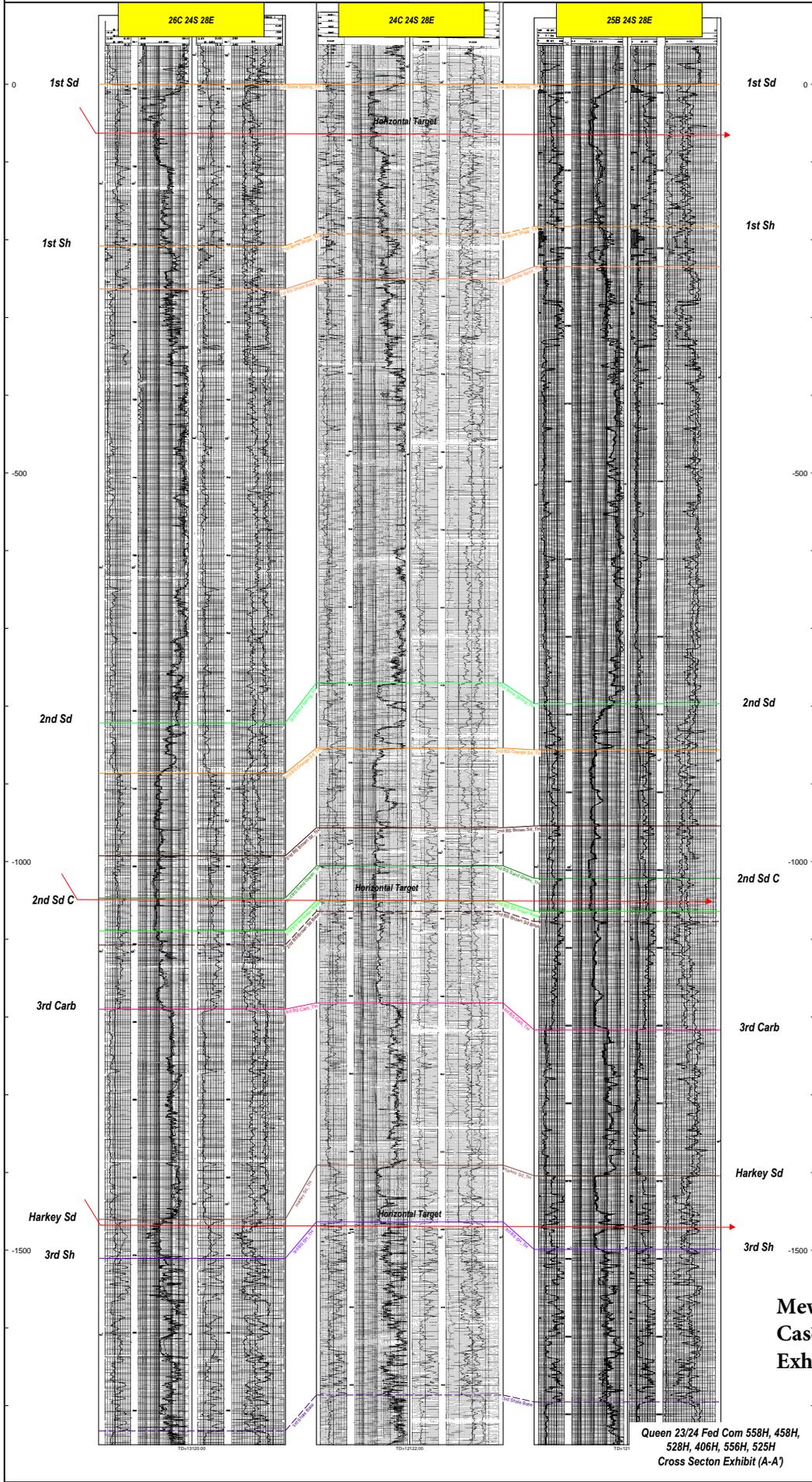
 Mewbourne Oil Company		
<i>Queen 23/24</i> Eddy County Locator Map		
Author: T. Hill	NM: Eddy	Date: 24 February, 2025

Texas

Mewbourne Oil Company
 Case No. 25224
 Exhibit B-1



Mewbourne Oil Company
Case No. 25224
Exhibit B-2



Mewbourne Oil Company
 Case No. 25224
 Exhibit B-3

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

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

CASE NO. 25224

**SELF-AFFIRMED STATEMENT
OF DANA S. HARDY**

1. I am the attorney in fact and authorized representative of Mewbourne Oil Company, the Applicant herein.
2. I am familiar with the Notice Letter attached as **Exhibit C-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit C-2**.
3. Exhibit C-2 also provides the date the Notice Letter was sent, along with the delivery status of each.
4. An electronic return receipt is attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
5. On February 27, 2025, I caused a notice to be published in the Carlsbad Current - Argus. An Affidavit of Publication from the legal clerk of the Carlsbad Current - Argus along with a copy of the Notice Publication, is attached as **Exhibit C-4**.
6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony 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.

/s/Dana S. Hardy
Dana S. Hardy

March 28, 2025
Date

**Mewbourne Oil Company
Case No. 25224
Exhibit C**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:
Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

February 12, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 25224 – Application Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **March 13, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/>) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Brad Dunn, Landman at Mewbourne Oil Company, via e-mail at bdunn@mewbourne.com or by phone at (432) 682-3715.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Mewbourne Oil Company
Case No. 25224
Exhibit C-1

Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
(575) 622-6510
FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
FAX) 505-858-8321

PO BOX 2068
SANTA FE, NEW MEXICO 87504
(505) 982-4554
FAX (505) 982-8623

Postal Delivery Report
MEWBOURNE OIL COMPANY CASE NO. 25224

Recipient	Mailed	USPS Tracking Number	Received	Delivery Status
COG Operating LLC	2/19/2025	9414836208551278533488	2/22/2025	Redelivery Scheduled
OXY USA WTP Limited Partnership	2/19/2025	9414836208551278533464	2/24/2025	Delivered
TBO Oil & Gas, LLC	2/19/2025	9414836208551278533396	3/5/2025	Delivered
OXY USA Inc.	2/19/2025	9414836208551278533419	2/24/2025	Delivered
MRC Permian Company	2/19/2025	9414836208551278533440	3/13/2025	Return to Sender
EOG Resources Inc.	2/19/2025	9414836208551278533426	2/22/2025	Delivered
Chevron Midcontinent, LP	2/19/2025	9414836208551278533518	3/11/2025	Delivered
Marathon Oil Permian LLC	2/19/2025	9414836208551278533532	2/24/2025	Delivered
Barney Martin Partners	2/19/2025	9414836208551278533648	3/12/2025	Return to Sender

Mewbourne Oil Company
Case No. 25224
Exhibit C-2



March 5, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5333 96.**

Item Details

Status:	Delivered, Individual Picked Up at Post Office
Status Date / Time:	March 5, 2025, 11:52 am
Location:	MIDLAND, TX 79701
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™
	Return Receipt Electronic

Recipient Signature

Signature of Recipient:	<i>Benny Queen</i> <i>Benny Queen</i>
Address of Recipient:	<i>10502</i>

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

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

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

TBO Oil & Gas, LLC PO Box 10502 Midland, TX 79706 Item ID: MOC - Queen 25224

Mewbourne Oil Company
Case No. 25224
Exhibit C-3



February 24, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5334 64.**

Item Details

Status:	Delivered to Agent, Front Desk/Reception/Mail Room
Status Date / Time:	February 24, 2025, 11:39 am
Location:	HOUSTON, TX 77046
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™
	Return Receipt Electronic

Recipient Signature

Signature of Recipient: (Authorized Agent)	
Address of Recipient:	

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

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

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

OXY USA WTP Limited Partnership 5 Greenway Plaza Suite 110 Houston, TX 77046 Item ID: MOC - Queen 25224



February 24, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5334 19**.

Item Details

Status:	Delivered to Agent, Front Desk/Reception/Mail Room
Status Date / Time:	February 24, 2025, 11:40 am
Location:	HOUSTON, TX 77046
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™
	Return Receipt Electronic

Recipient Signature

Signature of Recipient: (Authorized Agent)	
Address of Recipient:	

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

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

<p>OXY USA Inc. 5 Greenway Plaza Suite 110 Houston, TX 77046 Item ID: MOC - Queen 25224</p>



March 21, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5334 40.**

Item Details

Status:	Delivered, Left with Individual
Status Date / Time:	March 21, 2025, 10:05 am
Location:	SANTA FE, NM 87501
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™
	Return Receipt Electronic

Recipient Signature

Signature of Recipient:	
Address of Recipient:	125 LINCOLN AVE STE 223, SANTA FE, NM 87501

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

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

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

MRC Permian Company 5400 LBJ Freeway Dallas, TX 75240 Item ID: MOC - Queen 25224



February 22, 2025

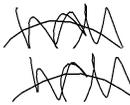
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5334 26.**

Item Details

Status:	Delivered, Front Desk/Reception/Mail Room
Status Date / Time:	February 22, 2025, 7:01 am
Location:	MIDLAND, TX 79706
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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

EOG Resources Inc. 5509 Champions Dr. Midland, TX 79706 Item ID: MOC - Queen 25224



March 11, 2025

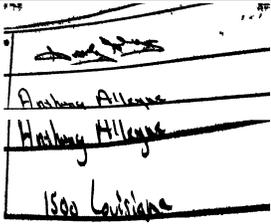
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5335 18.**

Item Details

Status:	Delivered to Agent, Picked up at USPS
Status Date / Time:	March 11, 2025, 8:31 am
Location:	HOUSTON, TX 77002
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic

Recipient Signature

<p>Signature of Recipient: (Authorized Agent)</p> <p>Address of Recipient:</p>	
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Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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

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

<p>Chevron Midcontinent, LP 1400 Smith St. Houston, TX 77002 Item ID: MOC - Queen 25224</p>



February 24, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8362 0855 1278 5335 32.**

Item Details

Status:	Delivered, Front Desk/Reception/Mail Room
Status Date / Time:	February 24, 2025, 12:40 pm
Location:	HOUSTON, TX 77024
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™
	Return Receipt Electronic

Recipient Signature

Signature of Recipient:	
Address of Recipient:	

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

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

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

Marathon Oil Permian LLC 990 Town and Country Blvd. Houston, TX 77024 Item ID: MOC - Queen 25224

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1491
Ad Number: 36890
Description: Mewbourne Queen 25224
Ad Cost: \$97.73

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

February 27, 2025

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 27th day of February 2025.

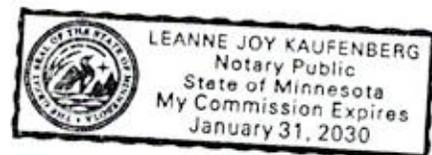
Leanne Kaufenberg
Leanne Kaufenberg, Notary Public, Redwood County Minnesota

CARA DOUGLAS
HARDY MCLEAN LLC
125 LINCOLN AVE. SUITE 223
SANTA FE, NM 87501
cdouglas@hardymclean.com

PUBLIC NOTICE

This is to notify all interested parties, including: OXY USA WTP Limited Partnership; OXY USA Inc.; Marathon Oil Permian LLC; TBO Oil & Gas, L.L.C.; EOG Resources Inc.; Chevron Midcontinent, LP; COG Operating LLC; MRC Permian Company; Barney Martin Partners; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Mewbourne Oil Company ("Applicant") (Case No. 25224). The hearing will be conducted on March 13, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SE/4 of Section 23 and the S/2 S/2 of Section 24, Township 24 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Queen 23/24 Fed Com #558H (H3OP); Queen 23/24 Fed Com #458H (B1OP), and Queen 23/24 Fed Com #528H (B2OP)** wells ("Wells"), which will be drilled from surface hole locations in the NE/4 SW/4 (Unit K) of Section 23 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 24. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 10 miles southeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus February 27, 2025.
#36890



Mewbourne Oil Company
Case No. 25224
Exhibit C-4