

CASE NOS. 22338 and 22339

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST - PART I

1. Applications and Proposed Notices
2. Landman's Affidavit
3. Geologist's Affidavit
4. Affidavit of Mailing
5. Affidavit of Publication
6. Pooling Checklists

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION****APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.**Case No. 22338**APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the  $N\frac{1}{2}N\frac{1}{2}$  of Section 21 and the  $N\frac{1}{2}N\frac{1}{2}$  of Section 22, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the  $N\frac{1}{2}N\frac{1}{2}$  of Section 21 and the  $N\frac{1}{2}N\frac{1}{2}$  of Section 22, and has the right to drill a well thereon.
2. Applicant proposes to drill the Puma Blanca 21/22 B2DA Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the  $N\frac{1}{2}N\frac{1}{2}$  of Section 21 and the  $N\frac{1}{2}N\frac{1}{2}$  of Section 22 to the well. The well is a horizontal well, with a first take point in the  $NW\frac{1}{4}NW\frac{1}{4}$  of Section 21 and a last take point in the  $NE\frac{1}{4}NE\frac{1}{4}$  of Section 22.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the  $N\frac{1}{2}N\frac{1}{2}$  of Section 21 and the  $N\frac{1}{2}N\frac{1}{2}$  of Section 22 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

EXHIBIT /



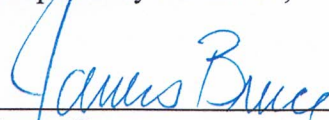
formation underlying N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Pooling all mineral interest owners in the Bone Spring formation underlying the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

  
James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Mewbourne Oil Company

***Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.***

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Puma Blanca 21/22 B2DA Fed. Com. Well No. 1H, a horizontal well with a first take point in the NW/4NW/4 of Section 21 and a last take point in the NE/4NE/4 of Section 22. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8 miles southwest of Loco Hills, New Mexico.



**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION****APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.**Case No. 22337**APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22, and has the right to drill a well thereon.
2. Applicant proposes to drill the Puma Blanca 21/22 B2EH Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22 to the well. The well is a horizontal well, with a first take point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 21 and a last take point in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 22.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 21 and the S $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

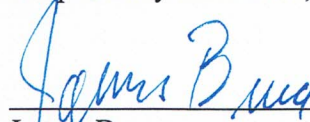
formation underlying S½N½ of Section 21 and the S½N½ of Section 22, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S½N½ of Section 21 and the S½N½ of Section 22 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

- A. Pooling all mineral interest owners in the Bone Spring formation underlying the S½N½ of Section 21 and the S½N½ of Section 22;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Mewbourne Oil Company

***Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.***

Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 18 South, Range 29 East, NMPM. The unit will be dedicated to the Puma Blanca 21/22 B2EH Fed. Com. Well No. 1H, a horizontal well with a first take point in the SW/4NW/4 of Section 21 and a last take point in the SE/4NE/4 of Section 22. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 8 miles southwest of Loco Hills, New Mexico.



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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

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

**Case No. 22338**

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

**Case No. 22339**

**SELF-AFFIRMED STATEMENT OF TYLER JOLLY**

Tyler Jolly 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 compulsory pooling application:

(a) The purpose of these applications is to force pool working interest owners into the horizontal spacing units described below, and in wells to be drilled in the units.

(b) No opposition is expected because the interest owners being pooled were contacted months ago regarding the proposed well, but have simply failed or refused to voluntarily commit their interests to the wells. No one has objected to the applications.

(c) In Case No. 22338, Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 18 South, Range 29 East, NMPM, to drill the Puma Blanca 21/22 B2DA Fed. Com. Well No. 1H.

In Case No. 22339, Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 18 South, Range 29 East, NMPM, to drill the Puma Blanca 21/22 B2EH Fed. Com. Well No. 1H.

EXHIBIT

2

- (d) Land plats outlining the units being pooled, and the interest owners in each well unit, are submitted as Attachments A-1 and A-2, together with a Form C-102 for each well.
- (e) There are no depth severances in the Bone Spring formation.
- (f) The current or last known addresses of the parties being pooled were provided to Mewbourne's attorney for notice purposes. All interest owners received a copy of the well proposals. In order to locate all interest owners Mewbourne examined the records of Eddy County and the Bureau of Land Management, as well as online tools or databases such as DrillingInfo and in-house online data searches.
- (g) Attachment B contains a list of contacts with the interest owners, and a sample copy of the well proposal sent to the interest owners.
- (h) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed wells, or to locate the interest owners.
- (i) Mewbourne has the right to pool the overriding royalty owners in the well units.
- (j) Attachments C-1 and C-2 contain the Authorizations for Expenditure for the proposed wells. The estimated cost of each well is fair and reasonable, and is comparable to the cost of other wells of similar depths and length drilled in this area of Eddy County.
- (k) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of these types in this area of Eddy County. They are also the rates set forth in the Joint Operating Agreements for the well units. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (l) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (m) Mewbourne requests that it be designated operator of the wells.
- (n) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (o) The granting of these applications is in the interests of conservation and the prevention of waste.

3. 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 2(o) 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: 11/30/21

  
Tyler Jolly



**Section Plat**  
**Puma Blanca 21/22 B2DA Fed Com #1H**  
 N2N2 of Section 21 & N2N2 of Section 22

T18S-R29E, Eddy County, NM

T18S-R29E, Eddy County, NM

Section 21		Section 22		
Tract 1	Tract 2	Tract 3	Tract 4	Tract 5
		ATTACHMENT <i>A-1</i>		

**Tract 1: N2NW4 of Section 21 - Federal Lease NMNM 030752**

Mewbourne Oil Company  
 Devon Energy Production Company, L.P.  
 Durango Production Corp.  
 OXY USA WTP Limited Partnership  
 Silverton Petroleum, Inc.  
 Murchison Oil & Gas, LLC

**Tract 3: NW4NW4 of Section 22 - Federal Lease NMNM 030752**

Mewbourne Oil Company  
 Barry Bradford dba Crossland Oil & Gas  
 Todd E. Westmoreland

**Tract 2: N2NE4 of Section 21 - Federal Lease NMNM 034461**

Mewbourne Oil Company  
 Devon Energy Production Company, L.P.  
 Durango Production Corp.  
 OXY USA WTP Limited Partnership  
 Silverton Petroleum, Inc.  
 Murchison Oil & Gas, LLC

**Tract 4: NE4NW4 of Section 22 - Federal Lease NMLC 067132**

Magnum Hunter Production, Inc.

**Tract 5: N2NE4 of Section 22 - Federal Lease NMNM 055696**

EOG Resources, Inc.  
 Mewbourne Oil Company  
 OXY Y-1 Company  
 MRC Delaware Resources, LLC  
 Vladin, LLC  
 Yates Energy Corporation

**RECAPITULATION FOR PUMA BLANCA 21/22 B2DA FED COM #1H**

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80	25.000000%
2	80	25.000000%
3	40	12.500000%
4	40	12.500000%
5	80	25.000000%
<b>TOTAL</b>	<b>320</b>	<b>100.000000%</b>

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number PENDING	<sup>2</sup> Pool Code 97908	<sup>3</sup> Pool Name WILDCAT G-04 S182972M; BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name PUMA BLANCA 21/22 B2DA FED COM	<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID NO. 14744	<sup>8</sup> Operator Name MEWBOURNE OIL COMPANY	<sup>9</sup> Elevation 3511'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
D	21	18S	29E		1170	NORTH	205	WEST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	18S	29E		500	NORTH	100	EAST	EDDY

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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

<p><sup>16</sup></p> <p><u>GEODETIC DATA</u> NAD 83 GRID - NM EAST <u>SURFACE LOCATION</u> N: 631942.3 - E: 616870.0 LAT: 32.7370067° N LONG: 104.0876859° W <u>BOTTOM HOLE</u> N: 632644.2 - E: 627128.4 LAT: 32.7388663° N LONG: 104.0543178° W</p> <p><u>CORNER DATA</u> NAD 83 GRID - NM EAST A: FOUND BRASS CAP "1916" N: 627830.9 - E: 616680.7 B: FOUND BRASS CAP "1916" N: 630470.3 - E: 616668.8 C: FOUND BRASS CAP "1916" N: 633111.3 - E: 616661.9 D: FOUND BRASS CAP "1916" N: 633119.7 - E: 619303.0 E: FOUND BRASS CAP "1916" N: 633128.5 - E: 621940.8 F: FOUND 1" PIPE N: 633137.1 - E: 624584.5 G: FOUND BRASS CAP "1916" N: 633144.3 - E: 627227.7</p> <p>1170' S.L. 205'</p> <p>500' B.H. 100'</p> <p>21 22</p> <p>S 89°49'07" W 2641.68' (D) S 89°48'27" W 2638.48' (E) S 89°48'53" W 2644.37' (F) S 89°50'34" W 2643.91' (G)</p> <p>S 00°08'57" E 2641.63' (C)</p> <p>S 00°15'24" E 2640.11' (B)</p> <p>S 89°48'48" W 2634.49' (L) S 89°55'49" W 2638.55' (K) S 89°42'30" W 2646.95' (J) S 89°51'08" W 2644.72' (I)</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>08-13-2020 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680 Certificate Number</p> <p>LS20080363</p>
--	---



**Ownership by Tract Puma Blanca 21/22 B2DA Fed Com #1H****Tract 1: N2NW4 of Section 21 (NMNM 030752)**

Entity/Individual	Interest
Devon Energy Production Company, L.P.	40.312500000%
Durango Production Corp.	20.156250000%
Mewbourne Oil Company	18.014062200%
OXY USA WTP Limited Partnership	12.009374800%
Silverton Petroleum, Inc.	6.718750000%
Murchison Oil & Gas, LLC	2.789063000%
<b>Total</b>	<b>100.000000000%</b>

**Tract 2: N2NE4 of Section 21 (NMNM 034461)**

Entity/Individual	Interest
Devon Energy Production Company, L.P.	40.312500000%
Durango Production Corp.	20.156250000%
Mewbourne Oil Company	18.014062200%
OXY USA WTP Limited Partnership	12.009374800%
Silverton Petroleum, Inc.	6.718750000%
Murchison Oil & Gas, LLC	2.789063000%
<b>Total</b>	<b>100.000000000%</b>

**Tract 3: NW4NW4 of Section 22 (NMNM 030752)**

Entity/Individual	Interest
Mewbourne Oil Company	93.75000000%
Barry Bradford dba Crossland Oil & Gas	3.12500000%
Todd E. Westmoreland	3.12500000%
<b>Total</b>	<b>100.00000000%</b>

**Tract 4: NE4NW4 of Section 22 (NMLC 067132)**

Entity/Individual	Interest
Magnum Hunter Production, Inc.	100.00000000%
<b>Total</b>	<b>100.00000000%</b>

**Tract 5: N2NE4 of Section 22**

Entity/Individual	Interest
EOG Resources, Inc.	70.3412890%
Mewbourne Oil Company	13.6279110%
OXY Y-1 Company	10.6514850%
MRC Delaware Resources, LLC	2.2591420%
Vladin, LLC	2.0142950%
Yates Energy Corporation	1.1058780%
<b>Total</b>	<b>100.0000000%</b>



<b>Puma Blanca 21/22 B2DA Fed Com #1H</b>	<b>Percentage</b>
Mewbourne Oil Company	24.132758850%
Devon Energy Production Company, L.P.	20.156250000%
EOG Resources, Inc.	17.585322250%
Magnum Hunter Production, Inc.	12.500000000%
Durango Production Corp.	10.078125000%
OXY USA WTP Limited Partnership	6.004687400%
Silverton Petroleum, Inc.	3.359375000%
OXY Y-1 Company	2.662871250%
Murchison Oil & Gas, LLC	1.394531500%
MRC Delaware Resources, LLC	0.564785500%
Vladin, LLC	0.503573750%
Barry Bradford dba Crossland Oil & Gas	0.390625000%
Todd E. Westmoreland	0.390625000%
Yates Energy Corporation	0.276469500%
<b>Total</b>	<b>100.000000000%</b>

**Section Plat**  
**Puma Blanca 21/22 B2EH Fed Com #1H**  
 S2N2 of Section 21 & S2N2 of Section 22

T18S-R29E, Eddy County, NM

T18S-R29E, Eddy County, NM

Section 21		Section 22		
Tract 1	Tract 2	Tract 3	Tract 4	Tract 5
		<div style="border: 1px solid black; padding: 10px; display: inline-block;">           ATTACHMENT <i>A-2</i> </div>		

**Tract 1: S2NW4 of Section 21 - Federal Lease NMNM 030752**

Mewbourne Oil Company  
 Devon Energy Production Company, L.P.  
 Durango Production Corp.  
 OXY USA WTP Limited Partnership  
 Silverton Petroleum, Inc.  
 Murchison Oil & Gas, LLC

**Tract 3: SW4NW4 of Section 22 - Federal Lease NMNM 030752**

Mewbourne Oil Company  
 Barry Bradford dba Crossland Oil & Gas  
 Todd E. Westmoreland

**Tract 2: S2NE4 of Section 21 - Federal Lease NMNM 034461**

Mewbourne Oil Company  
 Devon Energy Production Company, L.P.  
 Durango Production Corp.  
 OXY USA WTP Limited Partnership  
 Silverton Petroleum, Inc.  
 Murchison Oil & Gas, LLC

**Tract 4: SE4NW4 of Section 22 - Federal Lease NMLC 067132**

Magnum Hunter Production, Inc.

**Tract 5: S2NE4 of Section 22 - Federal Lease NMNM 055696**

EOG Resources, Inc.  
 Mewbourne Oil Company  
 OXY Y-1 Company  
 MRC Delaware Resources, LLC  
 Vlatin, LLC  
 Yates Energy Corporation

**RECAPITULATION FOR PUMA BLANCA 21/22 B2EH FED COM #1H**

Tract Number	Number of Acres Committed	Percentage of Interest in Communitized Area
1	80	25.000000%
2	80	25.000000%
3	40	12.500000%
4	40	12.500000%
5	80	25.000000%
<b>TOTAL</b>	<b>320</b>	<b>100.000000%</b>



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>PENDING</b>	<sup>2</sup> Pool Code <b>97908</b>	<sup>3</sup> Pool Name <b>WILDCAT G-04 S182972M; BONE SPRING</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>PUMA BLANCA 21/22 B2EH FED COM</b>	<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>	<sup>9</sup> Elevation <b>3511'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>D</b>	<b>21</b>	<b>18S</b>	<b>29E</b>		<b>1200</b>	<b>NORTH</b>	<b>205</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>H</b>	<b>22</b>	<b>18S</b>	<b>29E</b>		<b>1800</b>	<b>NORTH</b>	<b>100</b>	<b>EAST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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

<p><sup>16</sup></p> <p><b>GEODETIC DATA</b> NAD 83 GRID — NM EAST</p> <p><b>SURFACE LOCATION</b> N: 631912.2 — E: 616870.0 LAT: 32.7369242° N LONG: 104.0876861° W</p> <p><b>BOTTOM HOLE</b> N: 631344.5 — E: 627129.9 LAT: 32.7352939° N LONG: 104.0543239° W</p>			<p><b>CORNER DATA</b> NAD 83 GRID — NM EAST</p> <p>A: FOUND BRASS CAP "1916" N: 627830.9 — E: 616680.7</p> <p>B: FOUND BRASS CAP "1916" N: 630470.3 — E: 616668.8</p> <p>C: FOUND BRASS CAP "1916" N: 633111.3 — E: 616661.9</p> <p>D: FOUND BRASS CAP "1916" N: 633119.7 — E: 619303.0</p> <p>E: FOUND BRASS CAP "1916" N: 633128.5 — E: 621940.8</p> <p>F: FOUND 1" PIPE N: 633137.1 — E: 624584.5</p> <p>G: FOUND BRASS CAP "1916" N: 633144.3 — E: 627227.7</p>			<p>H: FOUND BRASS CAP "1916" N: 630500.5 — E: 627230.9</p> <p>I: FOUND BRASS CAP "1916" N: 627863.0 — E: 627242.7</p> <p>J: FOUND BRASS CAP "1916" N: 627856.2 — E: 624598.6</p> <p>K: FOUND BRASS CAP "1916" N: 627842.7 — E: 621952.4</p> <p>L: FOUND BRASS CAP "1916" N: 627839.5 — E: 619314.5</p> <p>M: FOUND BRASS CAP "1916" N: 630488.0 — E: 621947.3</p>			<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>		
<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><b>08-13-2020</b> Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p><b>19680</b> Certificate Number</p>			<p><b>ROBERT M. HOWETT</b> NEW MEXICO 19680 PROFESSIONAL SURVEYOR</p>			<p><b>LS20080364</b></p>					



**Ownership by Tract Puma Blanca 21/22 B2EH Fed Com #1H****Tract 1: S2NW4 of Section 21 (NMNM 030752)**

Entity/Individual	Interest	Gross Acres	Net Acres
Devon Energy Production Company, L.P.	40.312500000%	80	32.250000000
Durango Production Corp.	20.156250000%	80	16.125000000
Mewbourne Oil Company	18.014062200%	80	14.411249760
OXY USA WTP Limited Partnership	12.009374800%	80	9.607499840
Silverton Petroleum, Inc.	6.718750000%	80	5.375000000
Murchison Oil & Gas, LLC	2.789063000%	80	2.231250400
<b>Total</b>	<b>100.000000000%</b>	<b>80</b>	<b>80.000000000</b>

**Tract 2: S2NE4 of Section 21 (NMNM 034461)**

Entity/Individual	Interest	Gross Acres	Net Acres
Devon Energy Production Company, L.P.	40.312500000%	80	32.250000000
Durango Production Corp.	20.156250000%	80	16.125000000
Mewbourne Oil Company	18.014062200%	80	14.411249760
OXY USA WTP Limited Partnership	12.009374800%	80	9.607499840
Silverton Petroleum, Inc.	6.718750000%	80	5.375000000
Murchison Oil & Gas, LLC	2.789063000%	80	2.231250400
<b>Total</b>	<b>100.000000000%</b>	<b>80</b>	<b>80.000000000</b>

**Tract 3: SW4NW4 of Section 22 (NMNM 030752)**

Entity/Individual	Interest	Gross Acres	Net Acres
Mewbourne Oil Company	93.7500000%	40	37.50
Barry Bradford dba Crossland Oil & Gas	3.1250000%	40	1.25
Todd E. Westmoreland	3.1250000%	40	1.25
<b>Total</b>	<b>100.0000000%</b>	<b>40</b>	<b>40.00</b>

**Tract 4: SE4NW4 of Section 22 (NMLC 067132)**

Entity/Individual	Interest	Gross Acres	Net Acres
Magnum Hunter Production, Inc.	100.0000000%	40	40.00
<b>Total</b>	<b>100.0000000%</b>	<b>40</b>	<b>40.00</b>

**Tract 5: S2NE4 of Section 22 (NMNM 055696)**

Entity/Individual	Interest	Gross Acres	Net Acres
EOG Resources, Inc.	70.3412890%	80	56.273031200
Mewbourne Oil Company	13.6279110%	80	10.902328800
OXY Y-1 Company	10.6514850%	80	8.521188000
MRC Delaware Resources, LLC	2.2591420%	80	1.807313600
Vladin, LLC	2.0142950%	80	1.611436000
Yates Energy Corporation	1.1058780%	80	0.884702400
<b>Total</b>	<b>100.0000000%</b>	<b>80</b>	<b>80.000000000</b>

<b>Puma Blanca 21/22 B2EH Fed Com #1H</b>	<b>Percentage</b>
Mewbourne Oil Company	24.132758850%
Devon Energy Production Company, L.P.	20.156250000%
EOG Resources, Inc.	17.585322250%
Magnum Hunter Production, Inc.	12.500000000%
Durango Production Corp.	10.078125000%
OXY USA WTP Limited Partnership	6.004687400%
Silverton Petroleum, Inc.	3.359375000%
OXY Y-1 Company	2.662871250%
Murchison Oil & Gas, LLC	1.394531500%
MRC Delaware Resources, LLC	0.564785500%
Vladin, LLC	0.503573750%
Barry Bradford dba Crossland Oil & Gas	0.390625000%
Todd E. Westmoreland	0.390625000%
Yates Energy Corporation	0.276469500%
<b>Total</b>	<b>100.000000000%</b>



**Summary of Communications**  
**Puma Blanca 21/22 B2DA Fed Com #1H**  
**Puma Blanca 21/22 B2EH Fed Com #1H**

**EOG Resources, Inc.**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.
2. Emails discussing title information between myself and Chris Leyendecker with EOG.

**Murchison Oil and Gas, LLC and Murchison Bone Springs Drilling Program 1, LLC**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.
2. Emails discussing title information between myself and Peta Maree Pogue with Murchison.

**MRC Delaware Resources, LLC**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.

**OXY Y-1 Company**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.
2. Emails discussing title information between myself and Jonathan Gonzales with OXY.

**Silverton Petroleum, Inc.**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.

**Devon Energy Production Company, L.P.**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.

**Yates Energy Corporation**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.

**Magnum Hunter Production, Inc.**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.
2. Emails discussing potential trade between myself and John Coffman with Cimarex.

**Vladin, LLC**

1. Well Proposal dated September 13, 2021, sent via certified mail. Proof of delivery is attached.
2. Email from Jim Ball with Vladin confirming participation.

ATTACHMENT

*B*



**MEWBOURNE OIL COMPANY**

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

September 13, 2021

Via Certified Mail

EOG Resources, Inc.  
5509 Champions Drive  
Midland, Texas 79706  
Attn: Katie McBryde

Re: **Puma Blanca Working Interest Unit**  
Section 21 and Section 22, T18S, R29E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a two (2) section working interest unit comprising of Section 21 and Section 22, T18S, R29E, Eddy County, New Mexico. As part of the initial development of this unit, MOC hereby proposes the following wells targeting the 2<sup>nd</sup> Bone Spring Sand interval within the Bone Spring formation:

- 1) Puma Blanca 21-22 B2DA Fed Com #1H – APD in process  
Surface Location: 1270' FNL, 205' FWL, Section 21  
Bottom Hole Location: 500' FNL, 100' FEL, Section 22  
Proposed Total Vertical Depth: 7720'  
Proposed Total Measured Depth: 17775'  
Target: 2<sup>nd</sup> Bone Spring Sand
- 2) Puma Blanca 21-22 B2EH Fed Com #1H – APD in process  
Surface Location: 1300' FNL, 205' FWL, Section 21  
Bottom Hole Location: 1800' FNL, 100' FEL, Section 22  
Proposed Total Vertical Depth: 7750'  
Proposed Total Measured Depth: 17805'  
Target: 2<sup>nd</sup> Bone Spring Sand

The wells are planned to be pad drilled with the first well tentatively scheduled to spud 1<sup>st</sup> quarter 2022 depending on commodity prices. In the event you elect to participate in the proposed wells, please execute the enclosed Operating Agreement (the "OA") and AFEs before returning them to the undersigned within thirty (30) days. The OA will supersede any previous Operating Agreements as to future Bone Spring development and will spread your interest across the captioned lands contractually as to the Bone Spring formation. Any existing wellbores will be unaffected by this new OA. The OA lists a non-consent penalty of 300%/100% and COPAS drilling/producing rates of \$8000/month and \$800/month respectively. Please enclose your most current well information requirements so that we may provide well data when available.

Please contact me at (432) 682-3715 or via email at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com) if you have any questions or need more information.

Very truly yours,

**MEWBOURNE OIL COMPANY**

A handwritten signature in blue ink, appearing to read 'Tyler Jolly', with a stylized flourish extending to the right.

Tyler Jolly  
Landman



September 20, 2021

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9402 8368 9784 6368 8398 03.**

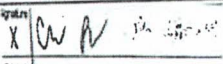
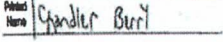
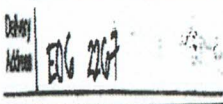
#### Item Details

<b>Status:</b>	Delivered, Individual Picked Up at Postal Facility
<b>Status Date / Time:</b>	September 20, 2021, 7:45 am
<b>Location:</b>	MIDLAND, TX 79702
<b>Postal Product:</b>	Priority Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic Up to \$100 insurance included
<b>Recipient Name:</b>	Katie McBryde

#### Shipment Details

**Weight:** 1.0oz

#### Recipient Signature

Signature of Recipient:	
	<small>Signed By</small> 
Address of Recipient:	<small>Delivery Address</small> 

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

Katie McBryde  
EOG Resources Inc.  
5509 Champions Drive  
Midland, TX 79706  
Reference #: Puma Blanca



## Tyler Jolly

---

**From:** Tyler Jolly  
**Sent:** Wednesday, September 22, 2021 3:12 PM  
**To:** Chris Leyendecker  
**Subject:** RE: [EXT] Puma Blana Well Proposals  
**Attachments:** 0528\_001.pdf

Chris,

Please find the attached opinion pages. Let me know if you have any questions.

Tyler

**From:** Chris Leyendecker <Chris\_Leyendecker@eogresources.com>  
**Sent:** Tuesday, September 21, 2021 3:50 PM  
**To:** Tyler Jolly <tjolly@mewbourne.com>  
**Subject:** [EXT] Puma Blana Well Proposals

Hey Tyler,

Just confirming receipt of these Puma Blanca well proposals and hoping you also have some title done on this that you could share. As usual, I'm just trying to confirm EOG's WI/NRI in our evaluation of participation.

Any info you can provide would be tremendously helpful.

Thanks,

**CHRIS LEYENDECKER, CPL**  
LANDMAN - MIDLAND DIVISION

---

EOG RESOURCES, INC.  
5509 Champions Drive  
Midland, TX 79706  
*Direct: 432-686-3673 | Cell: 303-552-6130*



**MEWBOURNE OIL COMPANY**  
AUTHORIZATION FOR EXPENDITURE

Well Name: <b>PUMA BLANCA 21/22 B2DA FED COM #1H</b>		Prospect: <b>2ND BSS</b>	
Location: <b>SHL: 1270 FNL &amp; 205 FWL (21); BHL: 500 FNL &amp; 100 FEL (22)</b>		County: <b>Eddy</b> ST: <b>NM</b>	
Sec. <b>21</b>	Bik: <b></b>	Survey: <b></b>	TWP: <b>18S</b> RNG: <b>29E</b> Prop. TVD: <b>7720</b> TMD: <b>17775</b>

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$75,000
Daywork / Turnkey / Footage Drilling	27 days drilg / 3 days comp @ \$19500/d	0180-0110	\$562,300	0180-0210	\$62,500
Fuel	1700 gal/day @ \$3.0/gal	0180-0114	\$147,100	0180-0214	\$264,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$65,000	0180-0220	
Mud - Specialized		0180-0121	\$105,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$165,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$80,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$363,800
Casing / Tubing / Snubbing Services		0180-0134	\$25,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$30,000		
Stimulation	61 Stg 20 MM gal / 20 MM lb			0180-0241	\$1,677,000
Stimulation Rentals & Other				0180-0242	\$175,000
Water & Other		0180-0145	\$40,000	0180-0245	\$409,000
Bits		0180-0148	\$106,100	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	\$150,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$112,000	0180-0270	\$58,100
Directional Services	Includes Vertical Control	0180-0175	\$309,700		
Equipment Rental		0180-0180	\$208,300	0180-0280	\$12,500
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,800	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$116,000	0180-0295	\$40,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	10% (TCP) 10% (CC)	0180-0199	\$248,700	0180-0299	\$352,800
<b>TOTAL</b>			<b>\$2,735,300</b>		<b>\$3,880,700</b>

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	350' - 13 3/8" 54.5# J-55 ST&C @ \$48/ft	0181-0794	\$17,900		
Casing (8.1" - 10.0")	1150' - 9 5/8" 40# HCL80 LT&C @ \$29/ft	0181-0795	\$46,700		
Casing (6.1" - 8.0")	8000' - 7" 29# HCP-110 LT&C @ \$28.5/ft	0181-0796	\$243,500		
Casing (4.1" - 6.0")	10590' - 4 1/2" 13.5# P-110 BPN @ \$15.5/ft			0181-0797	\$175,300
Tubing	7145' - 2 7/8" 6.5# L-80 Tbg @ \$13/ft			0181-0798	\$99,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps	(1/2) TP/CP/Circ pump			0181-0886	\$8,000
Storage Tanks	(1/2) 6 OT/S WT/GB			0181-0890	\$170,000
Emissions Control Equipment	(1/2) VRT's/VRU/Flare/KO's			0181-0892	\$113,000
Separation / Treating Equipment	(1/2) H sep/V sep/HT			0181-0895	\$85,000
Automation Metering Equipment				0181-0898	\$75,000
Line Pipe & Valves - Gathering	(1/2) 1 mile gas & water			0181-0900	\$52,000
Fittings / Valves & Accessories				0181-0906	\$214,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$125,000
Equipment Installation				0181-0910	\$125,000
Pipeline Construction	(1/2) 1 mile gas & water			0181-0920	\$67,000
<b>TOTAL</b>			<b>\$343,100</b>		<b>\$1,421,000</b>
<b>SUBTOTAL</b>			<b>\$3,078,400</b>		<b>\$5,301,700</b>
<b>TOTAL WELL COST</b>					<b>\$8,380,100</b>

Extra Expense Insurance

☐ I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐ I elect to purchase my own well control insurance policy.

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

Prepared by: **J. Chaney Coffman** Date: **8/30/2021**

Company Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Joint Owner Interest: \_\_\_\_\_ Amount: \_\_\_\_\_

Joint Owner Name: \_\_\_\_\_ Signature: \_\_\_\_\_

C-1  
ATTACHMENT



## MEWBOURNE OIL COMPANY

## AUTHORIZATION FOR EXPENDITURE

Well Name: PUMA BLANCA 21/22 B2EH FED COM #1H		Prospect: 2ND BSS	
Location: SHL: 1300 FNL & 205 FWL (21); BHL: 1800 FNL & 100 FEL (22)		County: Eddy ST: NM	
Sec: 21	Blk:	Survey:	TWP: 18S RNG: 29E Prop. TVD: 7750 TMD: 17805

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$75,000
Daywork / Turnkey / Footage Drilling 27 days drlg / 3 days comp @ \$19500/d		0180-0110	\$562,300	0180-0210	\$62,500
Fuel 1700 gal/day @ \$3.0/gal		0180-0114	\$147,100	0180-0214	\$264,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$65,000	0180-0220	
Mud - Specialized		0180-0121	\$105,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$165,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$80,000	0180-0225	\$30,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$363,800
Casing / Tubing / Snubbing Services		0180-0134	\$25,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$30,000		
Stimulation 61 Stg 20 MM gal / 20 MM lb				0180-0241	\$1,677,000
Stimulation Rentals & Other				0180-0242	\$175,000
Water & Other		0180-0145	\$40,000	0180-0245	\$409,000
Bits		0180-0148	\$106,100	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	\$150,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$112,000	0180-0270	\$58,100
Directional Services Includes Vertical Control		0180-0175	\$309,700		
Equipment Rental		0180-0180	\$208,300	0180-0280	\$12,500
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,800	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$116,000	0180-0295	\$40,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 10% (TCP) 10% (CC)		0180-0199	\$248,700	0180-0299	\$352,800
TOTAL			\$2,735,300		\$3,880,700

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 350' - 13 3/8" 54.5# J-55 ST&C @ \$48/ft		0181-0794	\$17,900		
Casing (8.1" - 10.0") 1150' - 9 5/8" 40# HCL80 LT&C @ \$29/ft		0181-0795	\$46,700		
Casing (6.1" - 8.0") 8000' - 7" 29# HCP-110 LT&C @ \$28.5/ft		0181-0796	\$243,500		
Casing (4.1" - 6.0") 10590' - 4 1/2" 13.5# P-110 BPN @ \$15.5/ft				0181-0797	\$175,300
Tubing 7145' - 2 7/8" 6.5# L-80 Tbg @ \$13/ft				0181-0798	\$99,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps (1/2) TP/CP/Circ pump				0181-0886	\$8,000
Storage Tanks (1/2) 6 OT/5 WT/GB				0181-0890	\$170,000
Emissions Control Equipment (1/2) VRT's/VRU/Flare/KO's				0181-0892	\$113,000
Separation / Treating Equipment (1/2) H sep/V sep/HT				0181-0895	\$85,000
Automation Metering Equipment				0181-0898	\$75,000
Line Pipe & Valves - Gathering (1/2) 1 mile gas & water				0181-0900	\$52,000
Fittings / Valves & Accessories				0181-0906	\$214,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$125,000
Equipment Installation				0181-0910	\$125,000
Pipeline Construction (1/2) 1 mile gas & water				0181-0920	\$67,000
TOTAL			\$343,100		\$1,421,000
SUBTOTAL			\$3,078,400		\$5,301,700
TOTAL WELL COST					\$8,380,100

Extra Expense Insurance

☐ I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐ I elect to purchase my own well control insurance policy.

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

Prepared by: J. Chaney Coffman Date: 8/30/2021

Company Approval: Date:

Joint Owner Interest: Amount: Signature:

Joint Owner Name: Signature:

C-2

ATTACHMENT