

CASE NO. 22581

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

1. Application and Proposed Notice
2. Landman's Affidavit
3. Geologist's Affidavit
4. Affidavit of Mailing
5. Affidavit of Publication
6. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. _____

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/2NW/4 of Section 2 the S/2N/2 of Section 3, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N/2NW/4 of Section 2 and the N/2N/2 of Section 3, and has the right to drill a well thereon.

2. Applicant proposes to drill the Loco Hills 2/3 B2FE Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the S/2NW/4 of Section 2 and the S/2N/2 of Section 3 thereto. The well is a horizontal well with a first take point in the SE/4NW/4 of Section 2 and a last take point in the SW/4NW/4 of Section 3.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S/2NW/4 of Section 2 and the S/2N/2 of Section 3 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 /

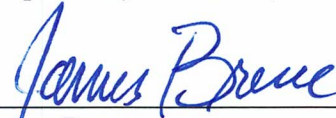
formation underlying the S/2NW/4 of Section 2 and the S/2N/2 of Section 3, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S/2NW/4 of Section 2 and the S/2N/2 of Section 3 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 interests in the Bone Spring formation underlying the S/2NW/4 of Section 2 and the S/2N/2 of Section 3;
- 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 mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the S/2NW/4 of Section 2 and the S/2N/2 of Section 3, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Loco Hills 2/3 B2FE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 2 and a last take point in the SW/4NW/4 of Section 3. 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 3-1/2 miles southeast 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 Nos. 22581

SELF-AFFIRMED STATEMENT OF JOSH ANDERSON

Josh Anderson, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application filed herein:

(a) The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.

(b) No opposition is expected because the interest owners being pooled (i) are unlocatable, or (ii) have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.

(c) A plat outlining the unit being pooled is submitted as Attachment A. Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 2 and the S/2N/2 of Section 3, Township 18 South, Range 30 East N.M.P.M. The unit will be dedicated to the Loco Hills 2/3 B2FE Fed. Com. Well No. 1H. A Form C-102 for the well is also part of Attachment A.

There is no depth severance in the Bone Spring formation.

(d) The parties being pooled, and their interests, are set forth in Attachment B.

EXHIBIT

2

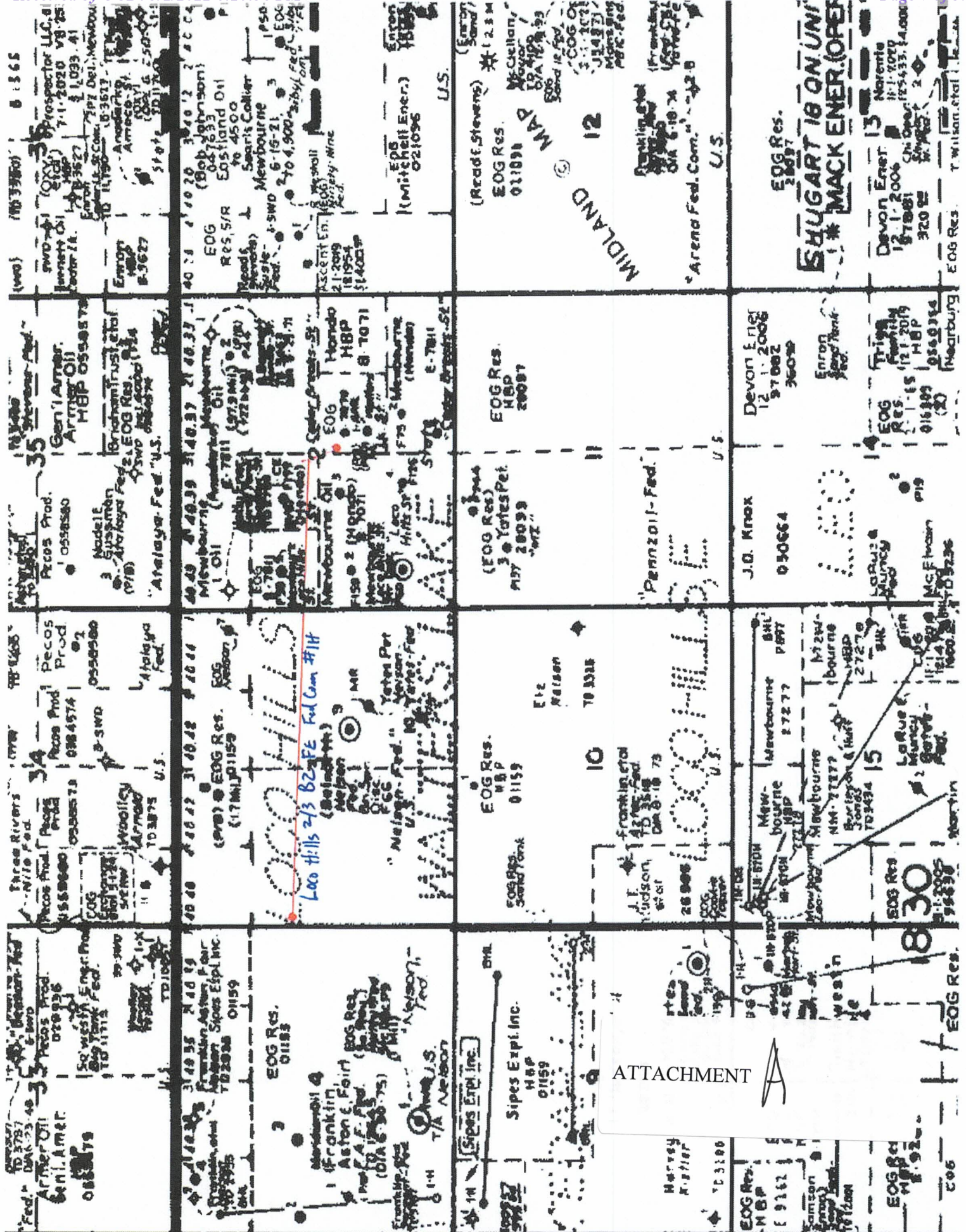
- (e) In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.
- (f) Attachment C is a summary of communications and sample copies of the proposal letters sent to the interest owners.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment D contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.
- (j) Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Mewbourne requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me, or compiled from company business records.
- (n) The granting of this application 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(n) above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 3/1/2022



Josh Anderson



ATTACHMENT



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

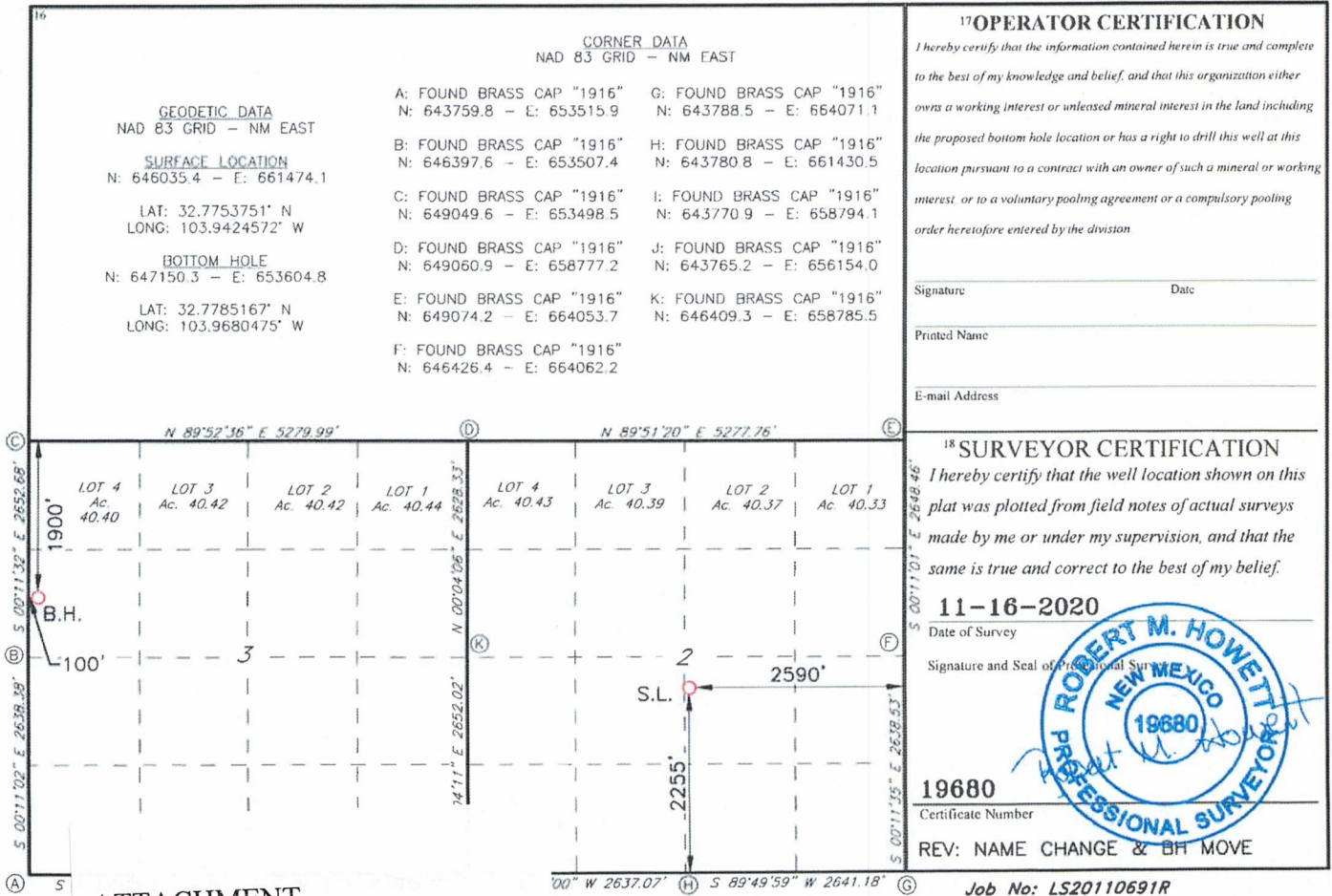
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

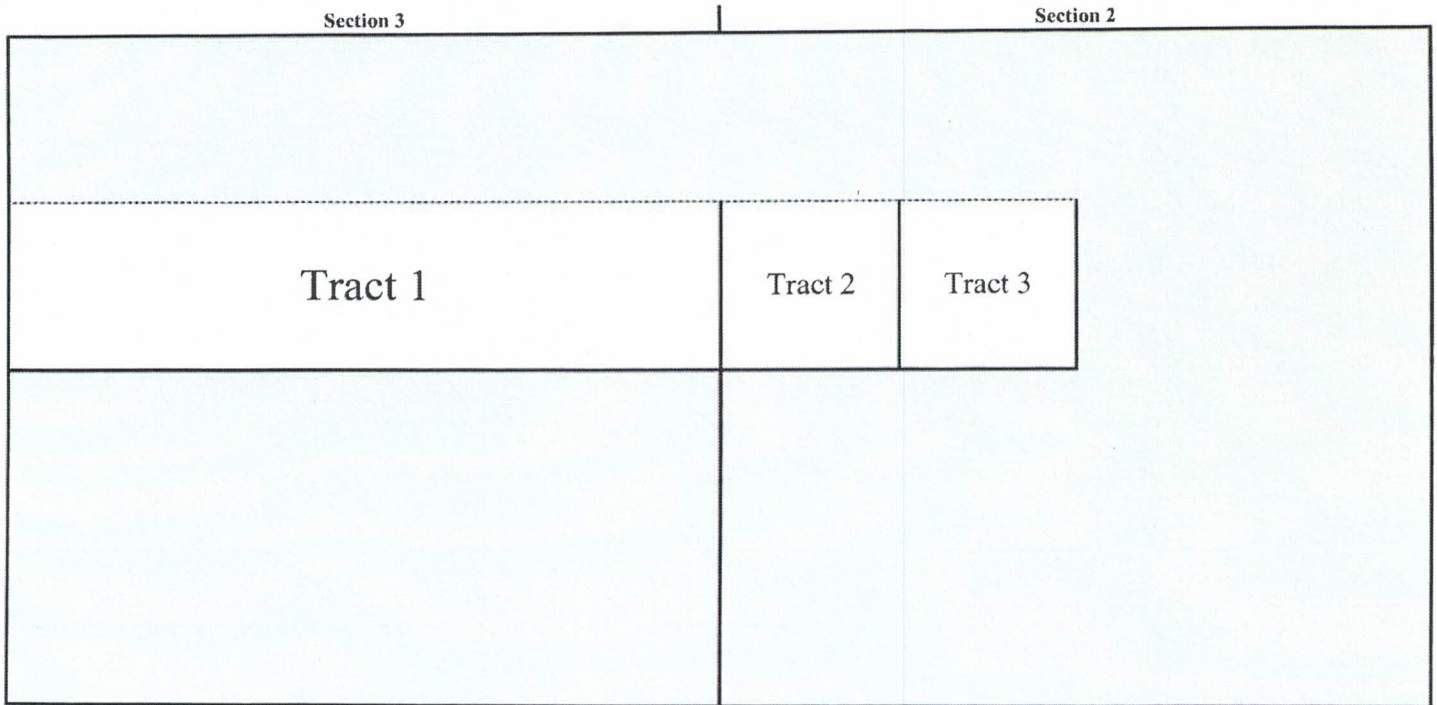
1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name LOCO HILLS 2/3 B2FE FED COM				6 Well Number 1H			
7 GRID NO.		8 Operator Name MEWBOURNE OIL COMPANY				9 Elevation 3614'			
10 Surface Location									
UL or lot no. J	Section 2	Township 18S	Range 30E	Lot Idn	Feet from the 2255	North/South line SOUTH	Feet from the 2590	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. E	Section 3	Township 18S	Range 30E	Lot Idn	Feet from the 1900	North/South line NORTH	Feet from the 100	East/West line WEST	County EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code		15 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.



Section Plat
Loco Hills 2/3 B2FE Fed Com #1H
S/2NW/4 of Section 2 & S/2N/2 of Section 3

T18S-R30E, Eddy County, NM



Tract 1: S/2N/2 of Section 3 - Federal Lease NMNM-01159

- Mewbourne Oil Company
- A&S Operating, Inc.
- Warwick-Artemis, LLC
- Slayton Investments, LLC
- COG Operating LLC
- Concho Oil & Gas LLC
- Cannon Exploration Company
- Roy L. Crow
- James D. Brown, Jr.
- Read & Stevens, Inc.
- Exemplar Nonop, LLC
- Coleman Oil and Gas, LLC
- Aventine Investments, LLC
- JMJ Land and Minerals Company
- BPP Solutions, LLC

Tract 3: SE/4NW/4 of Section 2 - State Lease E-7811

- Mewbourne Oil Company
- EOG Resources, Inc.
- SEP Permian, LLC
- A&S Operating, Inc.

Tract 2: SW/4NW/4 of Section 2 - State Lease E-7811

- Mewbourne Oil Company
- Dugan Production Corp.
- EOG Resources, Inc.
- SEP Permian, LLC
- A&S Operating, Inc.

ATTACHMENT *B*

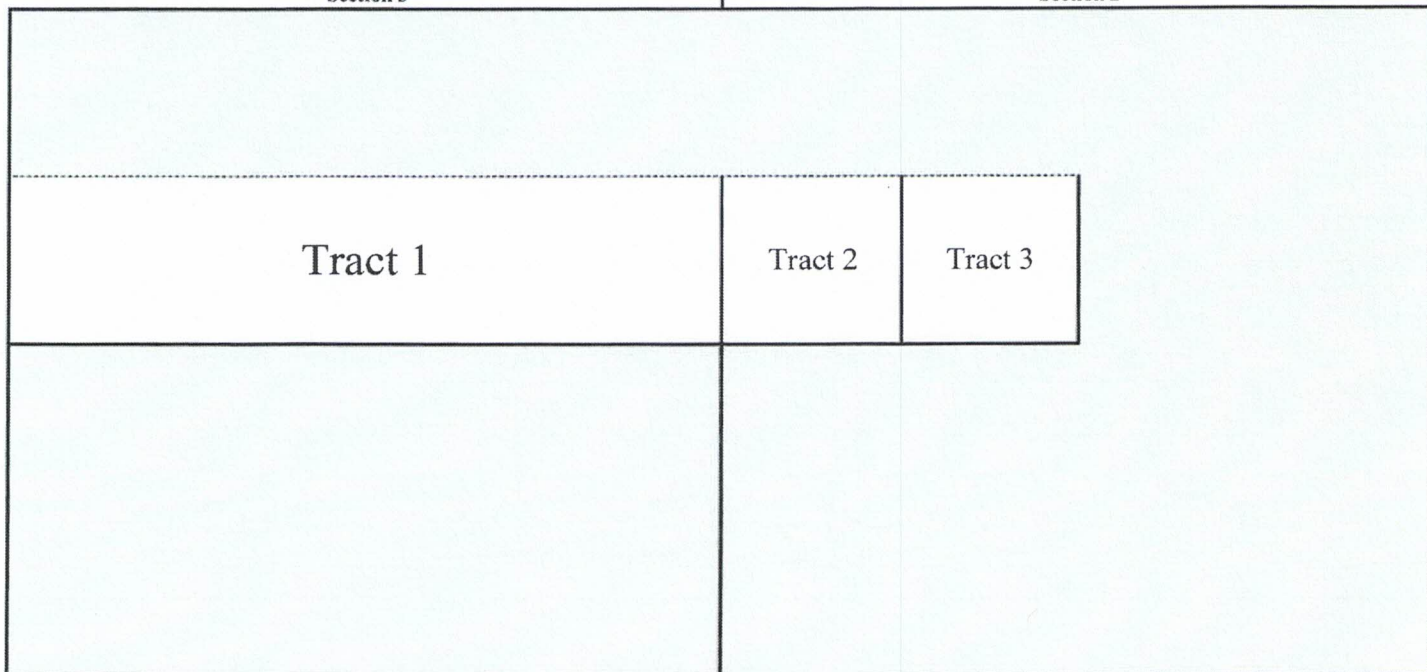
RECAPITUALTION FOR LOCO HILLS 2/3 B2FE FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	160	66.666667%
2	40	16.666667%
3	40	16.666666%
TOTAL	240	100.000000%

T18S-R30E, Eddy County, NM

Section 3

Section 2



TRACT OWNERSHIP
 Loco Hills 2/3 B2FE Fed Com #1H
 S/2N/2 of Section 3 & S/2NW/4 of Section 2
S/2N/2 of Section 3 & S/2NW/4 of Section 2

Bone Spring Formation:

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	94.532694%
*Exemplar Nonop LLC 16240 Muirfield Pl. Oklahoma City, OK 73013	1.371442%
*Ccoleman Oil and Gas, LLC 3255 Burnham Rd. Farmington, NM 87401	1.371442%
*Aventine Investments, LLC 2005 N. Santiago Ave. Farmington, NM 87401	0.685721%
*JMJ Land and Minerals Company 2204 N. Santiago Ave Farmington, NM 87401	0.685721%
*BPP Solutions, LLC 812 Shady Lane Farmington, NM 87401	0.457147%
*Roy L. Crow Unlocatable	0.895833%
TOTAL	100.000000%
Total Interest Being Pooled:	5.467306%

OWNERSHIP BY TRACT**S/2N/2 of Section 3**

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	91.799039%
Exemplar Nonop LLC	2.057163%
Ccoleman Oil and Gas, LLC	2.057163%
Aventine Investments, LLC	1.028582%
JMJ Land and Minerals Company	1.028582%
BPP Solutions, LLC	0.685721%
Roy L. Crow	1.343750%
TOTAL	100.000000%

SW/4NW/4 of Section 2

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	100.000000%
TOTAL	100.000000%

SW/4NW/4 of Section 2

Owner	% of Leasehold Interest
Mewbourne Oil Company, et al.	100.000000%
TOTAL	100.000000%

ATTACHMENT

C

Summary of Communications
Loco Hills 2/3 B2FE Fed Com #1H
S/2N/2 of Section 3-T18S-R30E, Eddy County, NM &
S/2NW/4 of Section 2-T18S-R30E, Eddy County, NM

Exemplar Nonop LLC:

12/1/2021: Mailed a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

12/7/2021: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

12/16/2021: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

12/23/2021: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

12/31/2021: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

1/6/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

1/19/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

1/20/2022: Mailed a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

1/24/2022: The above listed party received and signed for the certified mailing of the above captioned JOA.

1/21/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

1/24/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

1/26/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

2/11/2022: Correspondence with above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Mewbourne is currently negotiating with Exemplar Nonop LLC to get them to sign the JOA and participate with their interest or acquire all or a portion of their interest.

Coleman Oil and Gas, LLC:

12/1/2021: Mailed a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

12/6/2021: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

12/16/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/23/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/31/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/6/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/19/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/20/2022: Mailed a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

1/25/2022: The above listed party received and signed for the certified mailing of the above captioned JOA.

1/21/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/24/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/26/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

2/11/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Mewbourne is currently negotiating with Ccoleman Oil and Gas, LLC to get them to sign the JOA and participate with their interest or acquire all or a portion of their interest.

Aventine Investments, LLC:

12/1/2021: Mailed a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

12/6/2021: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

12/16/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/23/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/31/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/6/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/19/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/20/2022: Mailed a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

1/24/2022: The above listed party received and signed for the certified mailing of the above captioned JOA.

1/21/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/24/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/26/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

2/11/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Mewbourne is currently negotiating with Aventine Investments, LLC to get them to sign the JOA and participate with their interest or acquire all or a portion of their interest.

JMJ Land and Minerals Company:

12/1/2021: Mailed a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

12/6/2021: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

12/16/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/23/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/31/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/6/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/19/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/20/2022: Mailed a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

1/24/2022: The above listed party received and signed for the certified mailing of the above captioned JOA.

1/21/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/24/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/26/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

2/11/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Mewbourne is currently negotiating with MJM Land and Minerals Company to get them to sign the JOA and participate with their interest or acquire all or a portion of their interest.

BPP Solutions, LLC:

12/1/2021: Mailed a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

12/7/2021: The above listed party received and signed for the certified mailing of the above captioned Well Proposal.

12/16/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/23/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

12/31/2021: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/6/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/19/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/20/2022: Mailed a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

1/25/2022: The above listed party received and signed for the certified mailing of the above captioned JOA.

1/21/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/24/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

1/26/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

2/11/2022: Correspondence with negotiator for above listed party regarding Working Interest Unit and Well Proposal.

Ongoing: Mewbourne is currently negotiating with BPP Solutions, LLC to get them to sign the JOA and participate with their interest or acquire all or a portion of their interest.

Roy L. Crow:

1/5/2019: Tried to mail a Working Interest Unit, Loco Hills 2/3 Joint Operating Agreement to the above listed party.

N/A: The above listed party never received or signed for the certified mailing of the above captioned JOA and it was returned to sender.

12/1/2021: Tried to mail a Working Interest Unit, Loco Hills 2/3 B2FE Fed Com #1H Well Proposal to the above listed party.

N/A: The above listed party never received or signed for the certified mailing of the above captioned Well Proposal and was returned to sender.

Ongoing: Mewbourne was never able to find a viable address for the above listed party.

MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020
MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

December 1, 2021

Via Certified Mail

Exemplar NonOp, LLC
16240 Muirfield Pl.
Oklahoma City, Oklahoma 73013
Attn: Brian Simmons

Re: Loco Hills "2/3" B2FE Fed Com No. 1H
2255' FNL & 2590' FEL (SL) (Sec. 2)
1900' FNL & 100' FWL (BHL) (Sec. 3)
W/2 of Section 2 & All of Section 3, T18S, R30E
Eddy County, New Mexico

To Whom It May Concern:

Under the terms of the governing Operating Agreement, Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 7,931 feet subsurface to develop the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 16,040 feet. The S/2N/2 of the captioned Section 3 and the S/2NW/4 of the captioned Section 2 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our AFE dated November 23, 2021 for the captioned proposed well. In the event your firm elects to participate in the proposed well, please execute the enclosed AFE and return to me within thirty (30) days. Exemplar Nonop, LLC did not execute the Joint Operating Agreement.

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

Sincerely,

MEWBOURNE OIL COMPANY



Josh Anderson, RPL
Landman

Josh Anderson

From: webmaster@simplecertifiedmail.com
Sent: Tuesday, December 7, 2021 2:50 PM
To: Josh Anderson
Subject: [EXT] Document Delivered



Document Delivered

A document with a tracking code of 9414836897846672497015 and reference number of Loco Hills 2/3 was successfully delivered to Brian Simmons at Exemplar NONOp LLC

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

888-462-1750 ext. 2 assistance@simplecertifiedmail.com

MEWBOURNE OIL COMPANY

500 WEST TEXAS AVENUE, SUITE 1020
MIDLAND, TEXAS 79701-4279

TELEPHONE (432) 682-3715

January 20, 2022

Via Certified Mail

Exemplar Nonop LLC
16240 Muirfield Pl.
Oklahoma City, Oklahoma 73013

Re: Working Interest Unit
Mewbourne's Loco Hills 2/3 Prospect
Section 2/3, T18S, R30E
Eddy County, New Mexico

To Whom It May Concern:

Enclosed for your further handling regarding the captioned prospect and lands is our Operating Agreement dated January 1, 2022, along with an extra set of signature pages. The Operating Agreement is to coincide with the well proposal/AFE I sent by letters dated December 1, 2021.

Regarding the above, please have the AFE, Operating Agreement and extra set of signature pages executed and return only the extra set of signature pages and AFE to me whereby you will retain the Operating Agreement for your file.

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

Sincerely,
MEWBOURNE OIL COMPANY



Josh Anderson
Landman

Josh Anderson

From: webmaster@simplecertifiedmail.com
Sent: Monday, January 24, 2022 11:54 AM
To: Josh Anderson
Subject: [EXT] Document Delivered



Document Delivered

A document with a tracking code of 9402836897846882631969 and reference number of Loco Hills 2/3 was successfully delivered to Exempar Nonop LLC

This is an "Advisory Notice" from information provided by the United State Postal Service, and may not accurately reflect the delivery status of the item. Please check the Delivery Information Report in SimpleCertifiedMail.com to ensure the item was "Delivered" and not "Returned"

If you have questions or concerns, please let us know.

Regards,

The Client Services Group-Assistance

888-462-1750 ext. 2 assistance@simplecertifiedmail.com

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: LOCO HILLS 2/3 B2FE FED COM #1H		Prospect: LOCO HILLS	
Location: SL: 2255 FNL & 2590 FEL (2); BHL: 1900 FNL & 100 FWL (3)		County: Eddy	ST: NM
Sec. 2	BLK: 	Survey: 	TWP: 18S RNG: 30E Prop. TVD: 7931 TMD: 16040

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$42,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$15,000
Daywork / Turnkey / Footage Drilling	18 days drlg / 3 days comp @ \$20500/d	0180-0110	\$394,100	0180-0210	\$65,700
Fuel	1700 gal/day @ \$3.15/gal	0180-0114	\$102,900	0180-0214	\$315,100
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$60,000	0180-0220	
Mud - Specialized		0180-0121	\$120,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$150,000
Stimulation Toe Preparation				0180-0223	\$25,000
Cementing		0180-0125	\$110,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$33,500	0180-0230	\$278,500
Casing / Tubing / Snubbing Services		0180-0134	\$25,000	0180-0234	\$18,000
Mud Logging		0180-0137	\$15,000		
Stimulation	37 Stg 14.9 MM gal / 18.7 MM lb			0180-0241	\$1,618,500
Stimulation Rentals & Other				0180-0242	\$189,000
Water & Other		0180-0145	\$40,000	0180-0245	\$245,200
Bits		0180-0148	\$94,000	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	\$154,000		
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	\$115,600	0180-0270	\$51,100
Directional Services	Includes Vertical Control	0180-0175	\$255,000		
Equipment Rental		0180-0180	\$138,800	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,200	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$82,800	0180-0295	\$32,400
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	10% (TCP) 10% (CC)	0180-0199	\$213,000	0180-0299	\$320,900
TOTAL			\$2,342,900		\$3,529,900

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	540' - 13 3/8" 54.5# J-55 ST&C @ \$58.73/ft	0181-0794	\$33,900		
Casing (8.1" - 10.0")	1820' - 9 5/8" 36# J-55 LT&C @ \$39.28/ft	0181-0795	\$76,400		
Casing (6.1" - 8.0")	8325' - 7" 29# HPP110 BT&C @ \$36.92/ft	0181-0796	\$328,300		
Casing (4.1" - 6.0")	8615' - 4 1/2" 13.5# P-110 CDC-HTQ @ \$20.31/ft			0181-0797	\$186,900
Tubing	7400' - 2 7/8" 6.5# L-80 IPC Tbg @ \$10.3/ft			0181-0798	\$81,400
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$70,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps	TP/CP/Circ pump			0181-0886	\$16,000
Storage Tanks				0181-0890	
Emissions Control Equipment	VRT's/VRU/Fiara/KO's			0181-0892	\$51,200
Separation / Treating Equipment	H sep/V sep/HT			0181-0895	\$81,800
Automation Metering Equipment				0181-0898	\$40,000
Line Pipe & Valves - Gathering	Existing infrastructure			0181-0900	
Fittings / Valves & Accessories				0181-0906	\$179,200
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$125,000
Equipment Installation				0181-0910	\$100,000
Pipeline Construction	Existing infrastructure			0181-0920	\$37,000
TOTAL			\$473,600		\$1,023,500
SUBTOTAL			\$2,816,500		\$4,553,400

TOTAL WELL COST \$7,369,900

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: Landon Stallings Date: 11/23/2021

Company Approval: *M. Whittier* Date: 11/23/2021

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

ATTACHMENT D

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

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

Case Nos. 22581

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND

STATE OF TEXAS

Charles Crosby deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in these cases. I have been qualified by the Division as an expert petroleum geologist.
3. The following geological plats are attached hereto:
 - (a) Attachment A is a structure map on the base of the Second Bone Spring Sand, which is the target formation for the Loco Hills well. It accurately reflects the structure of the base of the Second Bone Spring Sand. It shows that structure dips gently to the south. It also shows Second Bone Spring Sand wells in the immediate area, and a line of cross-section.
 - (b) Attachment B is a Lower Second Bone Spring Sand Gross Thickness Map, which is the completion zone of the Loco Hills well.
 - (c) Attachment C is a cross section of the Second Bone Spring Sand. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The target zone for the well is continuous and uniformly thick across the well units.
4. I conclude from the maps that:
 - (a) The horizontal spacing unit is justified from a geologic standpoint.
 - (b) The target zone is continuous and of relatively uniform thickness across the well units.

EXHIBIT

3

(c) Each quarter section in each well unit will contribute more or less equally to production from the target zone.

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

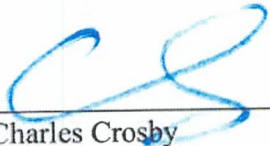
5. Attachment D contains information from nearby Second Bone Spring Sand wells drilled in this area. The drilled and completed wells indicate that laydown wells are a reasonable method to develop the reservoir in these sections.

6. Attachment E contains the horizontal drilling plan for the proposed well. The producing interval of the well will be orthodox.

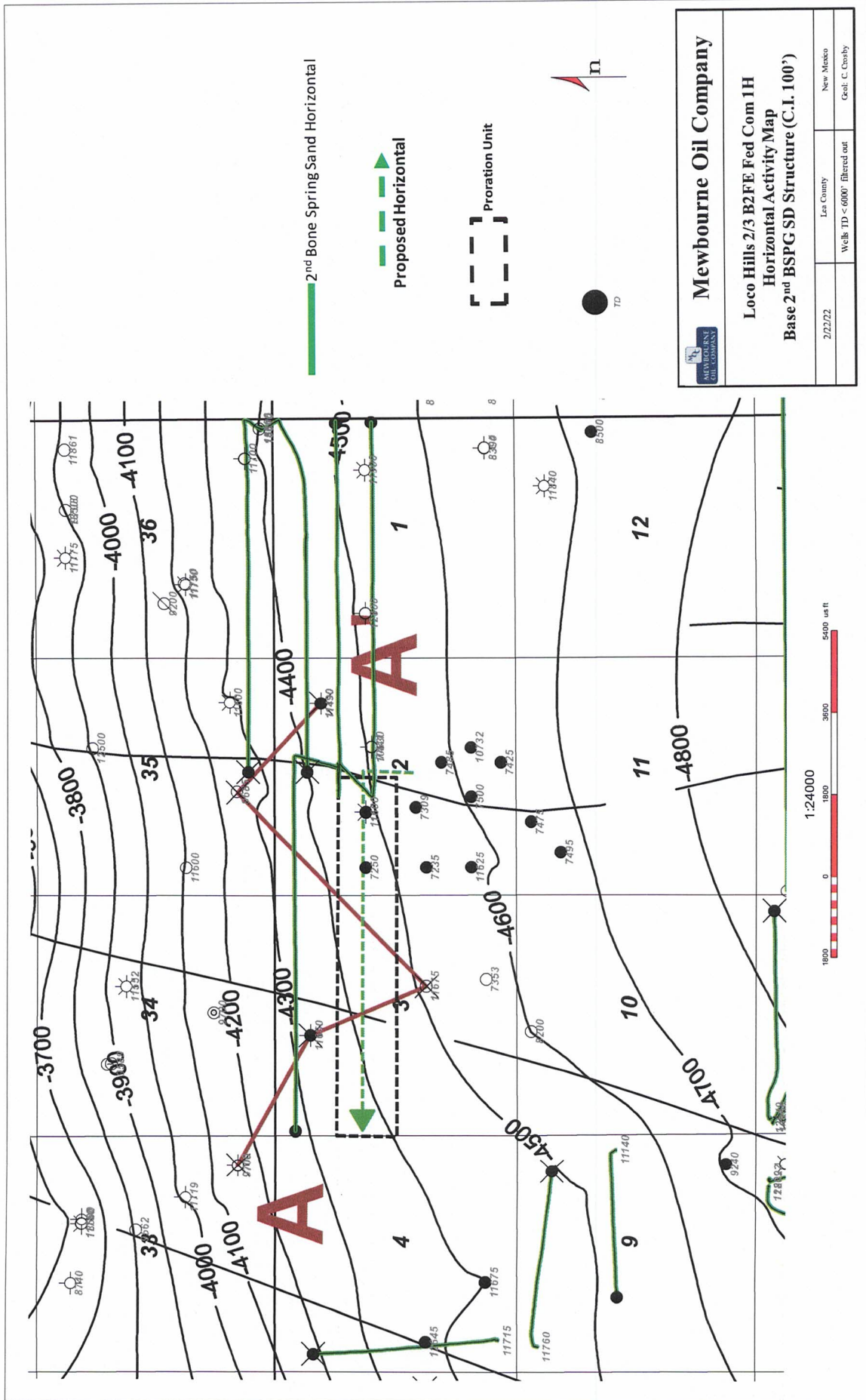
7. I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date:

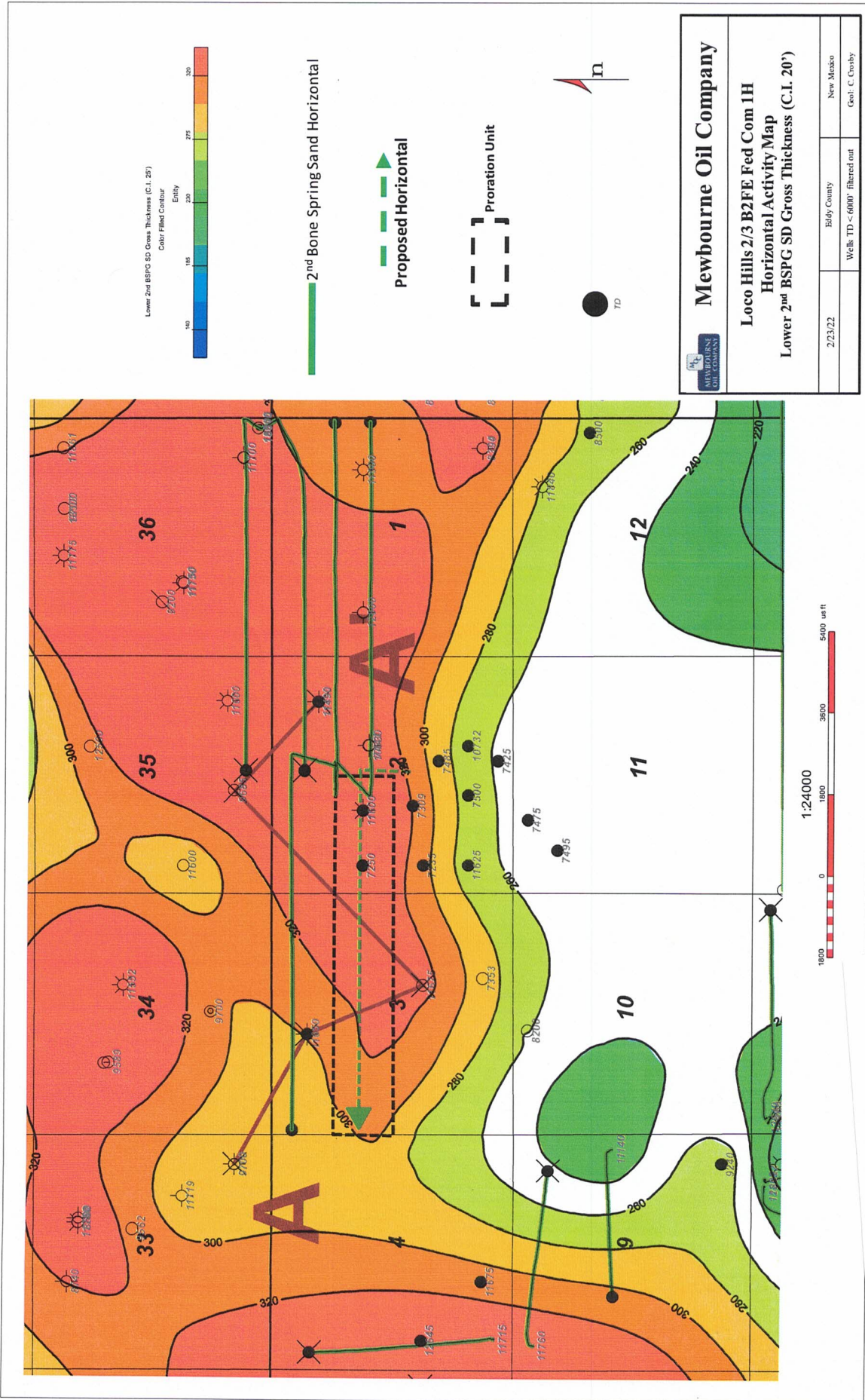
3/1/22



Charles Crosby



ATTACHMENT A



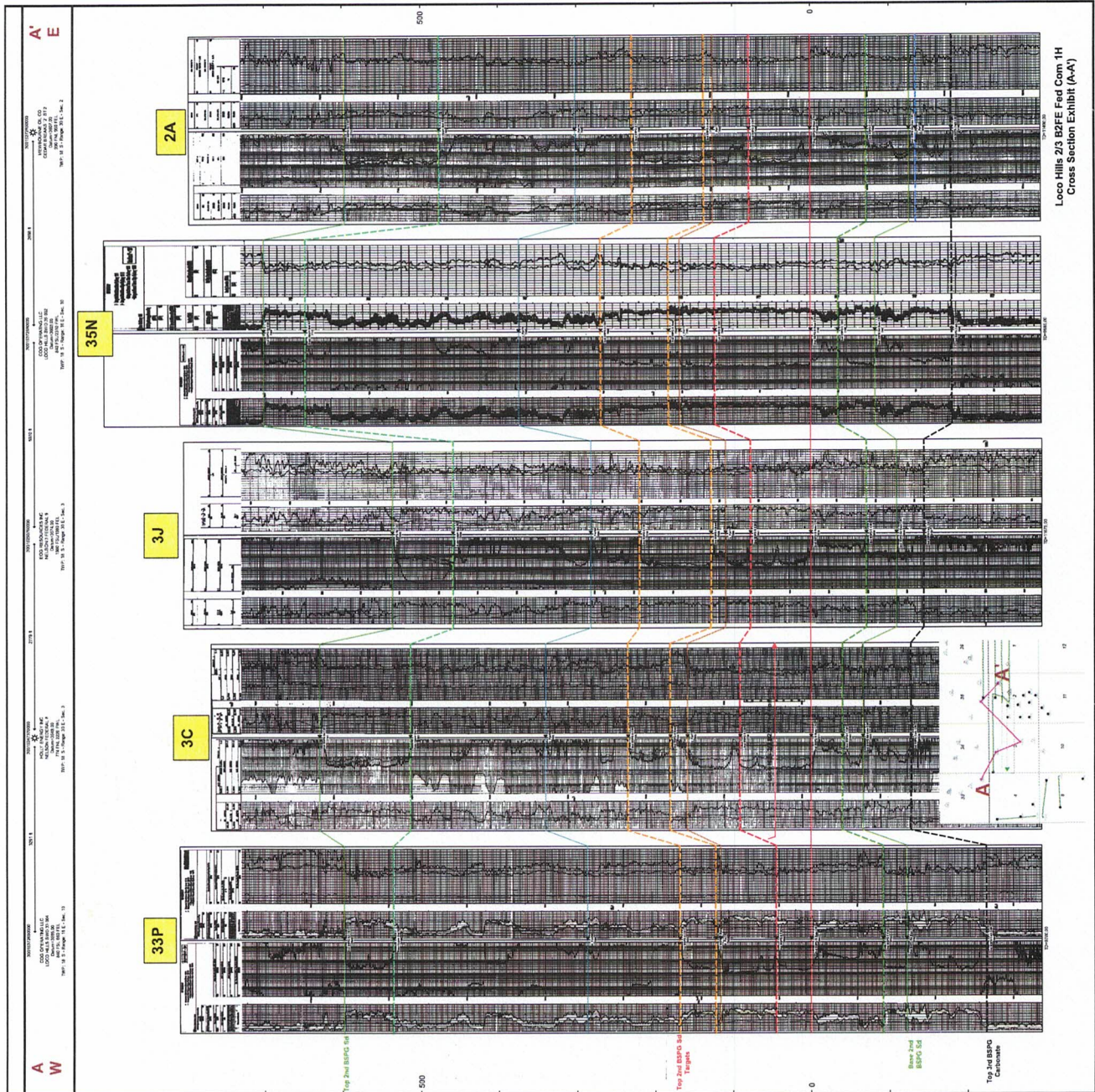
Mewbourne Oil Company

Loco Hills 2/3 B2FE Fed Com 1H Horizontal Activity Map

Lower 2nd BSPG SD Gross Thickness (C.I. 20')

2/23/22	Eddy County	New Mexico
	Well: TD < 6000' filtered out	Geol. C. Crosby

ATTACHMENT B



ATTACHMENT C

Loco Hills Area 2nd Bone Spring Sand Production Table

Well Name	Operator	API	Location	Completion Date	Cum Oil (Mbo)	Cum Gase (Bcf)	Cum Wtr (Mbw)	NS/EW	Zone
Sand Tank 9 Federal Com 1H	EOG	30015362700000	9D/18S/30E	10/18/2008	74.2	0.19	14.8	EW	2nd Bone Spring Sand
Sand Tank 9 Federal 2H	EOG	30015365810000	9H/18S/30E	2/4/2009	31.3	0.05	19.5	EW	2nd Bone Spring Sand
Sand Tank 4 Federal 1H	EOG	30015373160000	4M/18S/30E	11/27/2009	71.8	0.25	15.8	NS	2nd Bone Spring Sand
Leo 15 DA Federal Com 1H	Mewbourne	30015421850000	15D/18S/30E	9/1/2014	319.0	0.77	84.5	EW	2nd Bone Spring Sand
Loco Hills 1/2 B2AB Federal Com 1H	Mewbourne	30015455820000	36P/17S/30E	6/4/2019	408.3	0.51	377.3	EW	2nd Bone Spring Sand
Gemini 36/35 B2PO Federal Com 1H	Mewbourne	30015456390000	36P/17S/30E	6/4/2019	281.4	0.21	314.1	EW	2nd Bone Spring Sand
Loco Hills 2/1 B2GH Federal Com 1H	Mewbourne	30015460190000	2G/18S/30E	6/1/2021	95.7	0.13	127.4	EW	2nd Bone Spring Sand
Loco Hills 2/3 B2CD Federal Com 1H	Mewbourne	30015460200000	2G/18S/30E	7/19/2021	126.1	0.1	175.8	EW	2nd Bone Spring Sand
Loco Hills 2/1 B2GH Federal Com 2H	Mewbourne	30015461160000	2G/18S/30E	6/28/2021	125.3	0.11	98.7	EW	2nd Bone Spring Sand

ATTACHMENT 

57	12900.00	90.31	278.33	100	7894.9	5225.8	757.3	-5170.7	5225.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
58	13000.00	90.31	278.33	100	7894.3	5325.8	771.8	-5269.6	5325.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
59	13100.00	90.31	278.33	100	7893.8	5425.8	786.3	-5368.6	5425.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
60	13200.00	90.31	278.33	100	7893.2	5525.8	800.8	-5467.5	5525.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
61	13300.00	90.31	278.33	100	7892.7	5625.8	815.3	-5566.5	5625.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
62	13400.00	90.31	278.33	100	7892.1	5725.8	829.8	-5665.4	5725.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
63	13500.00	90.31	278.33	100	7891.6	5825.8	844.3	-5764.3	5825.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
64	13600.00	90.31	278.33	100	7891.1	5925.8	858.7	-5863.3	5925.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
65	13700.00	90.31	278.33	100	7890.5	6025.8	873.2	-5962.2	6025.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
66	13800.00	90.31	278.33	100	7890.0	6125.8	887.7	-6061.2	6125.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
67	13900.00	90.31	278.33	100	7889.4	6225.8	902.2	-6160.1	6225.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
68	14000.00	90.31	278.33	100	7888.9	6325.8	916.7	-6259.1	6325.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
69	14100.00	90.31	278.33	100	7888.4	6425.8	931.2	-6358.0	6425.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
70	14200.00	90.31	278.33	100	7887.8	6525.8	945.7	-6456.9	6525.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
71	14300.00	90.31	278.33	100	7887.3	6625.8	960.2	-6555.9	6625.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
72	14400.00	90.31	278.33	100	7886.7	6725.8	974.7	-6654.8	6725.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
73	14500.00	90.31	278.33	100	7886.2	6825.8	989.2	-6753.8	6825.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
74	14600.00	90.31	278.33	100	7885.7	6925.8	1003.7	-6852.7	6925.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
75	14700.00	90.31	278.33	100	7885.1	7025.8	1018.2	-6951.7	7025.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
76	14800.00	90.31	278.33	100	7884.6	7125.8	1032.6	-7050.6	7125.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
77	14900.00	90.31	278.33	100	7884.0	7225.8	1047.1	-7149.5	7225.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
78	15000.00	90.31	278.33	100	7883.5	7325.8	1061.6	-7248.5	7325.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
79	15100.00	90.31	278.33	100	7883.0	7425.8	1076.1	-7347.4	7425.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
80	15200.00	90.31	278.33	100	7882.4	7525.8	1090.6	-7446.4	7525.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
81	15300.00	90.31	278.33	100	7881.9	7625.8	1105.1	-7545.3	7625.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
82	15400.00	90.31	278.33	100	7881.3	7725.8	1119.6	-7644.3	7725.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
83	15500.00	90.31	278.33	100	7880.8	7825.8	1134.1	-7743.2	7825.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
84	15600.00	90.31	278.33	100	7880.3	7925.8	1148.6	-7842.1	7925.8	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
85	15645.49	90.31	278.33	45.49	7880.0	7971.3	1155.2	-7887.2	7971.3	278.3	0.0	0.0	7923.1	-3.1	1.5762	4.86	1E-10
86	15645.49	90.31	278.33	0	7880.0	7971.3	1155.2	-7887.2	7971.3	278.3	#####	#####	7923.1	-3.1	1.5762	4.86	1E-10

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

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

Case Nos. 22581

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Mewbourne Oil Company.
3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules.
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 3/1/22

James Bruce
James Bruce

EXHIBIT A

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

February 10, 2022

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 22581, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking to pool the Bone Spring formation underlying the S/2NW/4 of Section 2 and the S/2N/2 of Section 3, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 3, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date.. This statement may be filed online with the Division at ocd.hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

ATTACHMENT

A

EXHIBIT A

Exemplar Nonop LLC
16240 Muirfield Place
Oklahoma City, OK 73013

Coleman Oil and Gas LLC
3255 Burnham Road
Farmington, NM 87401

Aventine Investments, LL
2005 North Santiago Ave.
Farmington, NM 87401

JMJ Land and Minerals Company
2204 North Santiago Ave.
Farmington, NM 87401

BPP Solutions, LLC
812 Shady Lane
Farmington, NM 87401

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OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To JMJ Land and Minerals Company
2204 North Santiago Ave.
Farmington, NM 87401

Street and Apt. No., or P.O. Box No.

City, State, ZIP+4®

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

2286 290 2000 0950 7202

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BPP Solutions, LLC
812 Shady Lane
Farmington, NM 87401

2. Article Number 7021 0950 0002 0367 9889 Restricted Delivery (over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Kimerson C. Date of Delivery 2/17

D. Is delivery address different from item 1? Yes No
if YES, enter delivery address below:

3. Service Type

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Certified Mail®

Signature Confirmation™

Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

JMJ Land and Minerals Company
2204 North Santiago Ave.
Farmington, NM 87401

2. Article Number 7021 0950 0002 0367 9872 Restricted Delivery (over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Marie Strickler C. Date of Delivery 2/17/22

D. Is delivery address different from item 1? Yes No
if YES, enter delivery address below:

3. Service Type

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Certified Mail®

Signature Confirmation™

Signature Confirmation Restricted Delivery

2286 290 2000 0950 7202

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Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage Here \$ _____

Total Postage and Fees \$ _____

Sent To _____

Street and Apt. No., or PO Box _____

City, State, ZIP+4® _____

Coleman Oil and Gas LLC
3255 Burnham Road
Farmington, NM 87401

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

5986 2980 2000 0000 0560 7202

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only**

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage Here \$ _____

Total Postage and Fees \$ _____

Sent To _____

Street and Apt. No., or PO Box _____

City, State, ZIP+4® _____

Coleman Oil and Gas LLC
3255 Burnham Road
Farmington, NM 87401

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

7202 0950 0000 0367 9841

SENDER: COMPLETE THIS SECTION

1. Complete items 1, 2, and 3.
2. Print your name and address on the reverse so that we can return the card to you.
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Exemplar Nonop LLC
16240 Muirfield Place
Oklahoma City, OK 73013

9590 9402 6746 1074 2545 16

Article Number (transfer from service label)
7021 0950 0002 0367 9841

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Justin Ezell C. Date of Delivery 2/18/22

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
 Adult Signature Restricted Delivery
 Certified Mail®
 Certified Mail Restricted Delivery
 Collect on Delivery
 Priority Mail Express®
 Registered Mail™
 Registered Mail Restricted Delivery
 Signature Confirmation™
 Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

1. Complete items 1, 2, and 3.
2. Print your name and address on the reverse so that we can return the card to you.
3. Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Coleman Oil and Gas LLC
3255 Burnham Road
Farmington, NM 87401

9590 9402 6746 1074 2544 93

Article Addressed to:

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

Coleman Oil and Gas LLC
3255 Burnham Road
Farmington, NM 87401



9590 9402 6746 1074 2544 93

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery _____

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
 Priority Mail Express®
 Registered Mail™
 Registered Mail Restricted Delivery
 Certified Mail®
 Certified Mail Restricted Delivery
 Collect on Delivery
 Signature Confirmation™
 Signature Confirmation Restricted Delivery

Restricted Delivery (over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

M LH 2/13

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Aventine Investments, LL
 2005 North Santiago Ave.
 Farmington, NM 87401

9590 9402 6746 1074 2545 09

2. Article # 7021 0950 0002 0367 9858

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery
 Marie Stickley 2/17/22

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type

Priority Mail Express®
 Registered Mail™
 Adult Signature Restricted Delivery
 Certified Mail®
 Certified Mail Restricted Delivery
 Collect on Delivery Restricted Delivery

Priority Mail Express®
 Registered Mail™
 Adult Signature Restricted Delivery
 Certified Mail®
 Certified Mail Restricted Delivery
 Signature Confirmation™
 Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To
 Aventine Investments, LL
 2005 North Santiago Ave.
 Farmington, NM 87401

City, State, ZIP+4®

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

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005135697

This is not an invoice

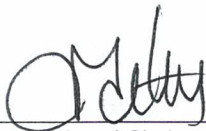
JAMES BRUCE ATTORNEY AT LAW

POBOX 1056

SANTA FE, NM 87504

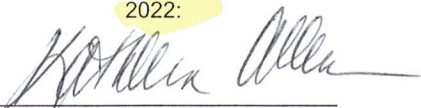
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

02/18/2022



Legal Clerk

Subscribed and sworn before me this February 18, 2022:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005135697
PO #: 5135697
of Affidavits 1

This is not an invoice

EXHIBIT 5

NOTICE

To: Roy L. Crow, Exemplar Nonop LLC, Coleman Oil and Gas LLC, Aventure Investments, LLC, JMJ Land and Minerals Company, and BPP Solutions, LLC, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 22581) seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2NW/4 of Section 2 and the S/2N/2 of Section 3, Township 18 South, Range 30 East, NMPM. The unit will be dedicated to the Loco Hills 2/3 B2FE Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4NW/4 of Section 2 and a last take point in the SW/4NW/4 of Section 3. 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. This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 3, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement at least five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce,

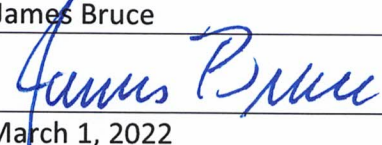
P.O. BOX 1030, Santa Fe,
New Mexico 87504, (505)
982-2043, jamesbruc@aol.co
m. The unit is located ap-
proximately 3-1/2 miles
southeast of Loco Hills, New
Mexico.
#5135697, Current Argus,
February 18, 2022

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case:	22581
Date:	March 3, 2022
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No.14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Loco Hills wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Loco hills; Bone Spring/Pool Code 39513
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240 acres
Building Blocks:	
Orientation:	East - West
Description: TRS/County	S/2NW/4 §2 and S/2N/2 §3-18S-30E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-A
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Loco Hills 2/3 B2FE Fed. Com. Well No. 1H API No. 30-015-Pending SHL: 2255 FSL & 2590 FEL §2 BHL: 1900 FNL & 100 FWL §3 FTP: 1900 FNL & 2540 FWL §2 LTP: 1900 FNL & 100 FWL §3 Bone Spring/TVD 7931 feet/MD 16040 feet

EXHIBIT 6

Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	Exhibit 2-B
Pooled Parties (including ownership type)	Exhibit 2-B
Unlocatable Parties to be Pooled	Exhibit 2-C
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit 2-C
List of Interest Owners (<i>i.e.</i> Exhibit A of JOA)	Exhibit 2-B
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3
Well Orientation (with rationale)	Laydown/Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B

Well Bore Location Map	Exhibits 2-A and 3-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibits 3-B and 3-C
Cross Section (including Landing Zone)	Exhibit 3-C
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	March 1, 2022