

CASE NO. 22837

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

MEWBOURNE OIL COMPANY'S EXHIBIT LIST

PART I

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

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

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

Case No. 22837

**APPLICATION**

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Third Bone Spring Sand formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 36 and the N/2N/2 of Section 35, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N/2N/2 of Section 36 and the N/2N/2 of Section 35, and has the right to drill a well thereon.
2. Applicant proposes to drill the Wild Turkey 36/35 B3AD State Com. Well No. 1H to a depth sufficient to test the Third Bone Spring Sand formation, and to dedicate the N/2N/2 of Section 36 and the N/2N/2 of Section 35 to the well. The well has a first take point in the NE/4NE/4 of Section 36 and a last take point in the NW/4NW/4 of Section 35.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N/2N/2 of Section 36 and the N/2N/2 of Section 35 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 uncommitted mineral interest owners in the Third

EXHIBIT 1



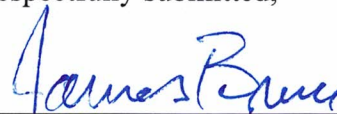
Bone Spring Sand formation underlying N/2N/2 of Section 36 and the N/2N/2 of Section 35, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all uncommitted mineral interest owners in the Third Bone Spring Sand formation underlying the N/2N/2 of Section 36 and the N/2N/2 of Section 35 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 uncommitted mineral interest owners in the Third Bone Spring Sand formation underlying the N/2N/2 of Section 36 and the N/2N/2 of Section 35;
- 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,



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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 Third Bone Spring Sand formation in a horizontal spacing unit comprised of the N/2N/2 of Section 36 and the N/2N/2 of Section 35, Township 18 South, Range 28 East, NMPM. The unit will be dedicated to the Wild Turkey 36/35 B3AD State Com. Well No. 1H, a horizontal well with a first take point in the NE/4NE/4 of Section 36 and a last take point in the NW/4NW/4 of Section 35. 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 15-1/2 miles east-southeast of Atoka, 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  
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 22837

**VERIFIED STATEMENT OF ADRIANA SALGADO**

Adriana Salgado, being duly sworn upon her 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 worked as a landman for two years. I hold a Bachelor of Arts Degree in Humanities from the University of Texas of the Permian Basin. I have 4 years of land work experience with Apache Corporation, prior to working at Mewbourne Oil Company. Collectively, I have 11 years of land work experience.

2. Pursuant to NMAC 19.15.4.12.A(1), 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 Third Bone Spring Sand formation [Palmillo: Bone Spring East Pool (49553)] 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 have been contacted regarding the proposed well but have failed or refused to voluntarily commit their interests to the well. All interest owners have been located.

(c) A plat outlining the unit being pooled is attached hereto as Exhibit 1. Mewbourne seeks an order approving a 320.00-acre horizontal spacing unit in the Bone Spring formation comprised of the N2N2 of Section 36 and the N2N2 of Section 35, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the Wild Turkey 36/35 B3AD State Com #1H.

(d) The parties being pooled and their interests are set forth in Exhibit 2. Their current and correct addresses are also set forth.

EXHIBIT 2



- (e) Exhibit 3 contains a summary of contacts with the interest owners, together with copies of the proposal letters sent to them, delivery receipts for each and copies of all email correspondence as listed.
- (f) In order to locate the interest owners, Mewbourne examined the county records, performed internet searches, checked telephone records, and searched pertinent computer searches.
- (g) Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) Exhibit 4 is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depth and length drilled in this area Lea 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 Lea County. Mewbourne requests that these rates be adjusted periodically as provided in the standard COPAS. Accounting Procedure.
- (k) Mewbourne requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) Applicant requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF TEXAS )  
 ) ss.  
COUNTY OF MIDLAND )

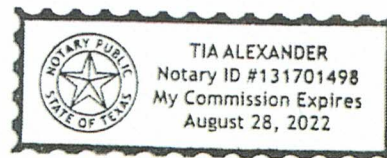
Adriana Salgado, being duly sworn upon his oath, deposes and states that: She is a landman for Mewbourne Oil Company; she is authorized to make this verification on its behalf; she has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of her knowledge, information, and belief.

ASalgado  
Adriana Salgado

SUBSCRIBED AND SWORN TO before me this 26<sup>th</sup> day of May, 2022 by Adriana Salgado.

My Commission Expires: 8-28-22

Tia Alexander  
Notary Public

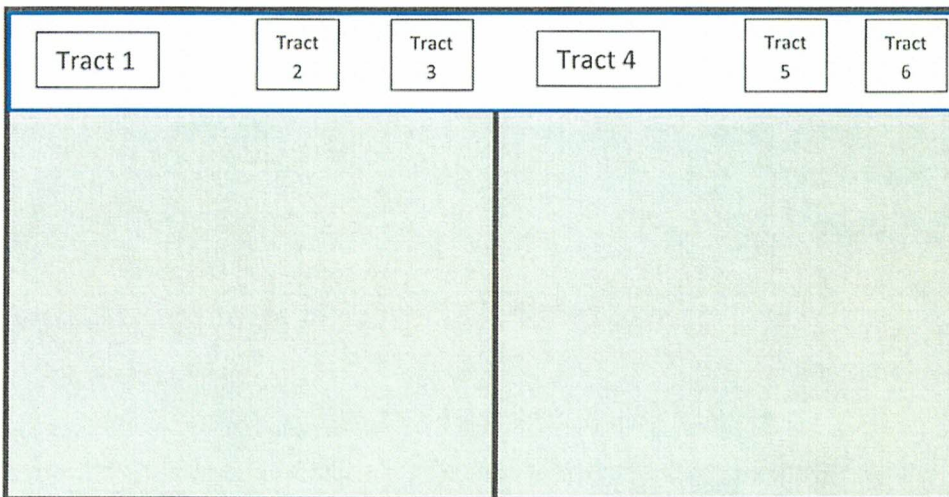


# EXHIBIT 1

**Section Plat**  
 Wild Turkey 36/35 B3AD State Com #1H  
 N/2N/2 of Section 36 & N/2N/2 of Section 35  
 T18S-R28E, Eddy County, NM

Section 35

Section 36



\*Indicates parties being pooled.

**Tract 1: N2NW of Section 35 – State Lse. V-6201 – Contractual Rights  
 OA dtd 7/1/01**

- Mewbourne Oil Company
- Marathon Oil Permian
- J. Cleo Thompson & James Cleo Thompson, Jr.
- Fasken Oil and Ranch, Ltd.
- \*Gahr Energy Company
- \*Fuel Products, Inc.
- \*V-F Petroleum Inc.
- Penroc Oil Corporation
- \*Mizel Resources
- \*Lodge Exploration Company, LLC
- \*Sandra K. Lawlis

**Tract 2: NWNE of Section 35 - State Lse. EO-9261**

- Mewbourne Oil Company
- \*COG Operating LLC
- Chevron U.S.A. Inc.
- \*Magnum Hunter Production
- \*Devon Energy Production Company, L.P.
- \*WPX Energy Permian LLC
- \*Concho Resources Inc.
- CBR Oil Properties LLC
- Stevens Oil and Gas, LLC (fka Norman L. Stevens Irrevocable Trust)
- David M. Stevens (fka Norman L. Stevens Irrevocable Trust)
- Fisco Inc.
- First Century

**Tract 3: NENE of Section 35 – State Lse. LG-4215**

- Mewbourne Oil Company
- \*COG Operating LLC
- Chevron U.S.A. Inc.
- \*Magnum Hunter Production
- \*Devon Energy Production Company, L.P.
- \*WPX Energy Permian LLC
- \*Concho Resources Inc.
- CBR Oil Properties LLC
- Stevens Oil and Gas, LLC (fka Norman L. Stevens Irrevocable Trust)
- David M. Stevens (fka Norman L. Stevens Irrevocable Trust)
- Fisco Inc.
- First Century

**Tract 4: N2NW of Section 36 – State Lse. V0-5503**

- Mewbourne Oil Company
- \*COG Operating LLC
- Chevron U.S.A. Inc.
- \*Magnum Hunter Production
- \*Devon Energy Production Company, L.P.
- \*WPX Energy Permian LLC
- \*Concho Resources Inc.
- CBR Oil Properties LLC
- Stevens Oil and Gas, LLC (fka Norman L. Stevens Irrevocable Trust)
- David M. Stevens (fka Norman L. Stevens Irrevocable Trust)
- Fisco Inc.
- First Century



**Tract 5: NWNE of Section 36 – State Lse. LG-4036**

Mewbourne Oil Company  
\*COG Operating LLC  
Chevron U.S.A. Inc.  
\*Magnum Hunter Production  
\*Devon Energy Production Company, L.P.  
\*WPX Energy Permian LLC  
\*Concho Resources Inc.  
CBR Oil Properties LLC  
Stevens Oil and Gas, LLC (fka Norman L. Stevens Irrevocable Trust)  
David M. Stevens (fka Norman L. Stevens Irrevocable Trust)  
Fisco Inc.  
First Century

**Tract 6: NENE of Section 36 – State Lse. L0-3853**

Mewbourne Oil Company  
\*COG Operating LLC  
Chevron U.S.A. Inc.  
\*Magnum Hunter Production  
\*Devon Energy Production Company, L.P.  
\*WPX Energy Permian LLC  
\*Concho Resources Inc.  
CBR Oil Properties LLC  
Stevens Oil and Gas, LLC (fka Norman L. Stevens Irrevocable Trust)  
David M. Stevens (fka Norman L. Stevens Irrevocable Trust)  
Fisco Inc.  
First Century

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: (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		<sup>2</sup> Pool Code 49553		<sup>3</sup> Pool Name Palmillo; Bone Spring East	
<sup>4</sup> Property Code		<sup>5</sup> Property Name WILD TURKEY 36/35 B3AD STATE COM			<sup>6</sup> Well Number 1H
<sup>7</sup> GRID NO.		<sup>8</sup> Operator Name MEWBOURNE OIL COMPANY			<sup>9</sup> Elevation 3417'

<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
A	36	18S	28E		1100	NORTH	260	EAST	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
D	35	18S	28E		500	NORTH	100	WEST	EDDY

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

**16**

CORNER DATA  
NAD 83 GRID - NM EAST

GEODETIC DATA  
NAD 83 GRID - NM EAST

SURFACE LOCATION  
N: 621715.5 - E: 606122.1  
LAT: 32.7089603° N  
LONG: 104.1227062° W

BOTTOM HOLE  
N: 622182.1 - E: 596133.2  
LAT: 32.7102933° N  
LONG: 104.1551791° W

A: FOUND BRASS CAP "1914"  
N 617384.0 - E 596024.3

B: FOUND BRASS CAP "1941"  
N 620031.3 - E 596026.7

C: FOUND BRASS CAP "1941"  
N 622680.8 - E 596034.8

D: FOUND BRASS CAP "1941"  
N 622712.4 - E 598636.8

E: FOUND BRASS CAP "1941"  
N 622744.4 - E 601240.5

F: FOUND BRASS CAP "1941"  
N 622781.8 - E 603812.6

G: FOUND BRASS CAP "1914"  
N 622819.0 - E 606385.0

H: FOUND BRASS CAP "1914"  
N 620167.8 - E 606377.7

I: FOUND BRASS CAP "1914"  
N 617517.3 - E 606378.0

J: FOUND BRASS CAP "1914"  
N 617483.0 - E 603789.7

K: FOUND BRASS CAP "1914"  
N 617450.3 - E 601201.0

L: FOUND BRASS CAP "1914"  
N 617416.7 - E 598612.6

M: FOUND BRASS CAP "1941"  
N 620098.2 - E 601255.8

**17 OPERATOR CERTIFICATION**  
*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.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

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**18 SURVEYOR CERTIFICATION**  
*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.*

11/01/2021  
Date of Survey

Signature and Seal of Professional Surveyor \_\_\_\_\_

19680  
Certificate Number

500' B.H. 100' LTP: 500' FNL & 100' FWL FTP: 500' FNL & 100' FEL 1100' S.L. 260'

Section 35 and 36 grid lines.

<h1>EXHIBIT 2</h1>
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**TRACT OWNERSHIP**  
**Wild Turkey 36/35 B3AD State Com #1H**  
**Section 36 & Section 35,**  
**Township 18 South, Range 28 East**  
**Eddy County, New Mexico**

	<u>% Leasehold Interest</u>
Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	28.269243%
*COG Operating LLC 600 W. Illinois Ave. Midland, Texas 79701	25.918295%
Chevron U.S.A. Inc. P.O. Box 2100 Houston, Texas 77252	13.333333%
Marathon Oil Permian LLC 5555 San Felipe Houston, Texas 77056	8.150000%
*Magnum Hunter Production 600 N. Marienfeld St., Ste. 600 Midland, Texas 79701	6.820605%
J. Cleo Thompson & James Cleo Thompson, Jr. 325 North St. Paul, Suite 4300 Dallas, Texas 75201-3993	3.000000%
Fasken Oil and Ranch, Ltd. 6101 Holiday Hill Road Midland, Texas 79707	3.000000%
*Gahr Energy Company P.O. Box 1889 Midland, Texas 79702	1.335319%
*Fuel Products, Inc. P.O. Box 1889 Midland, Texas 79702	1.335319%



*Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, Oklahoma 73102	1.705151%
*WPX Energy Permian LLC P.O. Box 842894 Dallas, Texas 75284-2894	1.634103%
*Concho Resources Inc. 600 W. Illinois Ave. Midland, Texas 79701	1.364121%
*V-F Petroleum Inc. P.O. Box 1889 Midland, Texas 79702	1.020900%
Penroc Oil Corporation (fka Voyager Gas Corp & White Oak Res.) P.O. Box 2769 Hobbs, New Mexico 88241	0.750000%
*Mizel Resources, a Trust 4350 S. Monaco Street, Fifth Floor Denver, Colorado 80237	0.600000%
CBR Oil Properties LLC P.O. Box 1518 Roswell, New Mexico 88202	0.426287%
Stevens Oil and Gas, LLC (fka Norman L. Stevens, Jr. Irrev. Trust) 1000 Louisiana, Ste. 2000 Houston, Texas 77002-5011	0.284191%
David M. Stevens (fka Norman L. Stevens, Jr. Irrev. Trust) 1000 Louisiana, Ste. 2000 Houston, Texas 77002-5011	0.142096%
Fisco Inc. P.O. Box 3087 Roswell, New Mexico 88202	0.426287%
First Century Oil Inc. P.O. Box 1518 Roswell, New Mexico 88202-1518	0.426287%
*Lodge Exploration Company, LLC 203 W. Wall Street, Ste. 920 Midland, Texas 79701	0.050951%

\*Sandra K. Lawlis  
P.O. Box 1889  
Midland, Texas 79702

0.007511%

Total

100.00000%

**\*Total interest being pooled: 41.792275%**

## EXHIBIT 3

### Summary of Communications

Wild Turkey 36/35 B2HE State Com #1H  
 Wild Turkey 36/35 B2IL State Com #1H  
 Wild Turkey 36/35 B2PM State Com #1H  
 Wild Turkey 36/35 B3AD State Com #1H  
 Wild Turkey 36/35 B3HE State Com #1H

<b>Company Name: COG Operating LLC/Concho Resources</b>		
<b>Date:</b>	<b>Communicated with:</b>	<b>Comments/Actions:</b>
3/4/22	Baylor Mitchell	Mailed & emailed well & JOA proposals via certified mail.
3/6/22	Baylor Mitchell	Certified Mail Receipt shows received.
4/5/22	Baylor Mitchell	Emailed to F/u on elections
4/5/22	Baylor Mitchell	Baylor responded they are evaluating
4/8/22	Baylor Mitchell	I emailed Baylor with JOA negotiations
4/12/22	Baylor Mitchell	Baylor emailed me negotiating JOA
4/13/22	Baylor Mitchell	I emailed Baylor with JOA negotiations
4/18/22	Baylor Mitchell	Baylor emailed me negotiating JOA
4/26/22	Baylor Mitchell	I emailed Baylor with JOA negotiations
4/26/22	Baylor Mitchell	Baylor emailed me negotiating JOA
4/28/22	Baylor Mitchell	I emailed Baylor the JOA with all their requested changes
4/28/22	Baylor Mitchell	Baylor emailed me with Exhibit A question
4/28/22	Baylor Mitchell	I emailed Baylor answering his question
5/26/22	Baylor Mitchell	Baylor emailed me to say they were routing the JOA for signatures and hope to have it back to us before the 6/2 pooling hearing.

<b>Company Name: Magnum Hunter Production</b>		
<b>Date:</b>	<b>Communicated with:</b>	<b>Comments/Actions:</b>
3/3/22		Mailed well & JOA proposals via certified mail.
3/6/22		Certified Mail receipt showed successful delivery.
3/7/22	Riley Morris	Riley emailed me confirming receipt of proposals and asking question.
3/9/22	Riley Morris	I emailed Riley back answering his questions.
4/5/22	Riley Morris	I emailed Riley for asking for an update.
4/5/22	Riley Morris	Riley emailed back that he was out of the office.
4/6/22	Riley Morris	Riley emailed me telling me they were evaluating and asked more questions.
4/6/22	Riley Morris	I emailed Riley answering their questions.
4/13/22	Riley Morris	I emailed Riley for asking for an update.
4/13/22	Riley Morris	Riley emailed me to tell me they were behind in reviewing. He asked more questions.
4/13/22	Riley Morris	I emailed Riley answering their questions.
5/17/22	Riley Morris	I emailed Riley regarding well proposals.
5/17/22	Riley Morris	Riley emailed me asking about pooling.
5/17/22	Riley Morris	I emailed Riley back answering his question.
5/24/22	Riley Morris	Riley emailed us asking questions.
5/24/22	Riley Morris	I called Riley to talk to him about his questions.



5/24/22	Riley Morris	I emailed Riley with a plat he requested.
5/25/22	Riley Morris	Riley emailed to discuss pooling.
5/25/22	Riley Morris	I emailed Riley regarding our pooling discussion.
5/26/22	Riley Morris	Riley emailed me confirming they were not going to request a continuance on the pooling hearing for these wells.
5/26/22	Riley Morris/Dylan Park	I continued an email dialogue with this party to continue negotiating their participation. They were going to be out of the office and asked if they could get back to us next week. They were going to try to meet as a team and evaluate next Tuesday.

Company Name: Gahr Energy Company		
Date:	Communicated with:	Comments/Actions:
11/10/21		Mailed well proposals via certified mail.
11/22/21		Certified Mail receipt showed successful delivery.
3/4/22		Mailed JOA proposal via certified mail.
3/11/22		Certified Mail receipt showed successful delivery.

Company Name: Fuel Products, Inc.		
Date:	Communicated with:	Comments/Actions:
11/10/21		Mailed well proposals via certified mail.
11/22/21		Certified Mail receipt showed successful delivery.
3/4/22		Mailed JOA proposal via certified mail.
3/11/22		Certified Mail receipt showed successful delivery.

Company Name: Devon Energy Production Company, L.P.		
Date:	Communicated with:	Comments/Actions:
3/3/22		Mailed well & JOA proposals via certified mail.
3/7/22		Certified Mail receipt showed successful delivery.
5/18/22	Ryan Cloer	I emailed Ryan regarding well proposals.
5/18/22	Ryan Cloer	Ryan emailed me to say he had forwarded my email to Andy Bennett who would be handling this area now, for further handling.

Company Name: WPX Energy Permian LLC		
Date:	Communicated with:	Comments/Actions:
11/10/21		Mailed well proposals via certified mail.
11/20/21		Certified Mail receipt showed successful delivery.
12/10/21	Peggy Buller	Peggy emailed me with a corrected mailing address for WPX/Devon. She confirmed receipt of Wild Turkey proposals.
3/4/22		Mailed JOA proposal via certified mail.
3/7/22		Certified Mail receipt showed successful delivery.
5/18/22	Ryan Cloer	I emailed Ryan regarding well proposals.
5/18/22	Ryan Cloer	Ryan emailed me to say he had forwarded my email to Andy Bennett who would be handling this area now, for further handling.

Company Name: V-F Petroleum Inc.		
Date:	Communicated with:	Comments/Actions:
11/10/21		Mailed well proposals via certified mail.

11/12/22		Certified Mail receipt shows successful acceptance at the post office.
1/31/22		Mewbourne Team met with V-F Team to discuss Wild Turkey proposals.
3/4/22		Mailed JOA proposal via certified mail.
3/6/22		Certified Mail receipt showed successful delivery.
4/13/22		Mewbourne Team met with V-F Team to discuss Wild Turkey proposals.
5/20/22		Mewbourne Team met with V-F Team to discuss Wild Turkey proposals.

<b>Company Name: Mizel Resources</b>		
<b>Date:</b>	<b>Communicated with:</b>	<b>Comments/Actions:</b>
3/3/22		Mailed well & JOA proposals via certified mail.
3/21/22		Certified Mail receipt showed successful delivery.

<b>Company Name: Lodge Exploration Company, LLC</b>		
<b>Date:</b>	<b>Communicated with:</b>	<b>Comments/Actions:</b>
11/10/21		Mailed well proposals via certified mail.
11/13/21		Certified Mail receipt showed successful delivery.
3/4/22		Mailed JOA proposal via certified mail.
3/5/22		Certified Mail receipt showed successful delivery.

<b>Company Name: Sandra K. Lawlis</b>		
<b>Date:</b>	<b>Communicated with:</b>	<b>Comments/Actions:</b>
11/10/21		Mailed well proposals via certified mail.
11/22/21		Certified Mail receipt showed successful delivery.
3/4/22		Mailed JOA proposal via certified mail.
3/6/22		Certified Mail receipt showed successful delivery.



**MEWBOURNE OIL COMPANY**

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

TELEPHONE (432) 682-3715  
FACSIMILE (432) 685-4170

March 3, 2022

Via Certified Mail

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

- |  |  |
|--|--|
| <p>Re: Wild Turkey 36/35 B2HE State Com #1H<br/>1130' FNL &amp; 205' FEL (SL) (Sec 36)<br/>1800' FNL &amp; 100' FWL (BHL) (Sec 35)<br/>Sections 35 &amp; 36, T18S, R28E<br/>Eddy County, New Mexico<br/>TVD: 7,530' MD: 17,300'<br/>Proration Unit/Project Area: S2N2 of Sec 35 &amp; 36</p> | <p>Wild Turkey 36/35 B2IL State Com #1H<br/>1450' FSL &amp; 205' FEL (SL) (Sec 36)<br/>2000' FSL &amp; 100' FWL (BHL) (Sec 35)<br/>Sections 35 &amp; 36, T18S, R28E<br/>Eddy County, New Mexico<br/>TVD: 7,485' MD: 17,245'<br/>Proration Unit/Project Area: N2S2 of Sec 35 &amp; 36</p> |
| <p>Wild Turkey 36/35 B2PM State Com #1H<br/>1420' FSL &amp; 205' FEL (SL) (Sec 36)<br/>660' FSL &amp; 100' FWL (BHL) (Sec 35)<br/>Sections 35 &amp; 36, T18S, R28E<br/>Eddy County, New Mexico<br/>TVD: 7,500' MD: 17,300'<br/>Proration Unit/Project Area: S2S2 of Sec 35 &amp; 36</p>      | <p>Wild Turkey 36/35 B3AD State Com #1H<br/>1100' FNL &amp; 205' FEL (SL) (Sec 36)<br/>500' FNL &amp; 100' FWL (BHL) (Sec 35)<br/>Sections 35 &amp; 36, T18S, R28E<br/>Eddy County, New Mexico<br/>TVD: 8,450' MD: 18,183'<br/>Proration Unit/Project Area: N2N2 of Sec 35 &amp; 36</p>  |
| <p>Wild Turkey 36/35 B3HE State Com #1H<br/>1160' FNL &amp; 205' FEL (SL) (Sec 36)<br/>1900' FNL &amp; 100' FWL (BHL) (Sec 35)<br/>Sections 35 &amp; 36, T18S, R28E<br/>Eddy County, New Mexico<br/>TVD: 8,460' MD: 18,190'<br/>Proration Unit/Project Area: S2N2 of Sec 35 &amp; 36</p>     |  |

Dear Sir or Madam:

Mewbourne Oil Company ("Mewbourne") hereby proposes to drill the above referenced horizontal Bone Spring wells. The referenced wells will be drilled as stated above.

The estimated costs for these wells are as follows:

Well Name	Est Cost to Casing Point	Est Cost of Producing Well
Wild Turkey 36/35 B2HE State Com #1H	\$3,006,670	\$8,336,780
Wild Turkey 36/35 B2IL State Com #1H	\$3,006,670	\$8,336,780
Wild Turkey 36/35 B2PM State Com #1H	\$3,006,670	\$8,336,780
Wild Turkey 36/35 B3AD State Com #1H	\$3,084,150	\$8,429,560
Wild Turkey 36/35 B3HE State Com #1H	\$3,084,150	\$8,429,560



Wild Turkey 36/35 Well Proposals  
March 3, 2022

To facilitate the drilling of this well and the development of these wells, Mewbourne proposes forming a working interest unit by signing an Operating Agreement with a Contract Area comprised of all of Section 35 and all of Section 36. If you do not wish to participate in the wells, Mewbourne is interested in discussing other options for your interest.

Enclosed are duplicate originals of Mewbourne's AFEs for the wells, more fully detailing drilling costs, and signature pages for the proposed Operating Agreement. To make your election to participate in the proposed wells and working interest unit, properly execute and return the AFEs and signature pages, including acknowledgements. You will also need to provide your "Well Information" requirements. As a reminder, Mewbourne's AFEs provide all participants the opportunity to opt out of the "Extra Expense Well Control Insurance" that Mewbourne purchases for each well it drills. If you do opt out, you must provide evidence that you have adequate "Well Control Insurance".

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at [asalgado@mewbourne.com](mailto:asalgado@mewbourne.com).

Sincerely,  
**MEWBOURNE OIL COMPANY**



Adriana Jimenez-Salgado  
Landman

**Adriana Salgado**

---

**From:** webmaster@simplecertifiedmail.com  
**Sent:** Sunday, March 6, 2022 12:06 AM  
**To:** Adriana Salgado  
**Subject:** [EXT] Document Delivered



## Document Delivered

A document with a tracking code of 9402836897846042356688 and reference number of Wild Turkey 36/35 was successfully delivered to Permian Land Manager at COG Ooporting 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*

SimpleCertifiedMail.com  
111 Commonwealth Court, Suite 103  
Cary, NC 27511-4447  
[888-462-1750 ext. 2](tel:888-462-1750) | [assistance@simplecertifiedmail.com](mailto:assistance@simplecertifiedmail.com)

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MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715  
FACSIMILE (432) 685-4170

March 4, 2022`

Via Certified Mail

Concho Resources Inc.  
One Concho Center  
600 W. Illinois Ave.  
Midland, Texas 79701  
Attn: Land Manager

Re: Wild Turkey 36/35 WIU JOA Proposal  
Section 35: All  
Section 36: All  
T18S, R28E, Eddy County, New Mexico

Dear Sir or Madam,

Enclosed for your further handling regarding the captioned prospect and lands is our Operating Agreement dated December 1, 2021. The Operating Agreement is to coincide with the well proposals/AFEs I sent by letter dated November 10, 2021.

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

Should you have any questions regarding the above, feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at [asalgado@mewbourne.com](mailto:asalgado@mewbourne.com).

Sincerely,

MEWBOURNE OIL COMPANY



Adriana Salgado  
Landman



**EXHIBIT 4**

**MEWBOURNE OIL COMPANY**  
AUTHORIZATION FOR EXPENDITURE

Well Name: **WILD TURKEY 36/35 B3AD STATE COM #1H** Prospect: **3RD BSS (2.0 Mile Lateral)**  
 Location: **SL: 1100 FNL & 205 FEL (36) ; BHL: 500 FNL & 100 FWL (35)** County: **Eddy** ST: **NM**  
 Sec. **36&35** Blk:  Survey:  TWP: **18S** RNG: **28E** Prop. TVD: **8450** TMD: **18183**

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	24 days drlg / 3 days comp @ \$19500/d	0180-0110	\$499,800	0180-0210	\$62,500
Fuel	1700 gal/day @ \$3/gal	0180-0114	\$130,700	0180-0214	\$264,000
Mud, Chemical & Additives		0180-0120	\$170,000	0180-0220	
Horizontal Drillout Services				0180-0222	\$200,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$363,000
Casing / Tubing / Snubbing Service		0180-0134	\$25,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$30,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,677,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$40,000	0180-0245	\$410,000
Bits		0180-0148	\$106,100	0180-0248	\$5,000
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 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	\$310,000		
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
ROW & Easements		0180-0192		0180-0292	\$5,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$144,000	0180-0295	\$50,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	10% (TCP) 10% (CC)	0180-0199	\$243,600	0180-0299	\$358,310
<b>TOTAL</b>			<b>\$2,679,600</b>		<b>\$3,941,410</b>

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	400' - 13 3/8" 54.5# J-55 ST&C @ \$48/ft	0181-0794	\$20,500		
Casing (8.1" - 10.0")	2000' - 9 5/8" 36# J-55 LT&C @ \$38/ft	0181-0795	\$81,200		
Casing (6.1" - 8.0")	8800' - 7" 29# HCP-110 LT&C @ \$28.5/ft	0181-0796	\$267,850		
Casing (4.1" - 6.0")	10690' - 4 1/2" 13.5# P-110 BPN @ \$15.5/ft			0181-0797	\$177,000
Tubing	8100' - 2 7/8" 6.5# L-80 Tbg @ \$13/ft			0181-0798	\$112,500
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
Sucker Rods				0181-0875	
Subsurface Equipment				0181-0880	\$25,000
Artificial Lift Systems	ESP			0181-0884	\$100,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers	1/2 VRU/SWD TP			0181-0886	\$55,000
Tanks - Oil	1/2 of 6 - 750 bbl			0181-0890	\$60,000
Tanks - Water	1/2 of 6 - 750 bbl coated			0181-0891	\$50,000
Separation / Treating Equipment	1/2(GB,VRT/Flare) / 30"x10"x1k 3 ph/48"x15"x1k# Hor 3			0181-0895	\$150,000
Heater Treaters, Line Heaters	8'x20'x75# HT			0181-0897	\$25,000
Metering Equipment				0181-0898	\$75,000
Line Pipe & Valves - Gathering				0181-0900	\$52,000
Fittings / Valves & Accessories				0181-0906	\$161,250
Cathodic Protection	Automation			0181-0908	\$18,750
Electrical Installation				0181-0909	\$93,750
Equipment Installation				0181-0910	\$93,750
Pipeline Construction				0181-0920	\$75,000
<b>TOTAL</b>			<b>\$404,550</b>		<b>\$1,404,000</b>
<b>SUBTOTAL</b>			<b>\$3,084,150</b>		<b>\$5,345,410</b>

**TOTAL WELL COST \$8,429,560**

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 0180-0165.

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: G. Edlington Date: 9/1/2021

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

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

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