

CASE NO. 22839

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. 22839

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2S/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/2S/2 of Section 36 and the N/2S/2 of Section 35, and has the right to drill a well thereon.
2. Applicant proposes to drill the Wild Turkey 36/35 B2IL State Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the N/2S/2 of Section 36 and the N/2S/2 of Section 35 to the well. The well has a first take point in the NE/4SE/4 of Section 36 and a last take point in the NW/4SW/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/2S/2 of Section 36 and the N/2S/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 Bone

EXHIBIT /

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

5. The pooling of all uncommitted mineral interest owners in the Bone Spring formation underlying the N/2S/2 of Section 36 and the N/2S/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 Bone Spring formation underlying the N/2S/2 of Section 36 and the N/2S/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,



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

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.
Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit comprised of the N/2S/2 of Section 36 and the N/2S/2 of Section 35, Township 18 South, Range 28 East, NMPM. The unit will be dedicated to the Wild Turkey 36/35 B2IL State Com. Well No. 1H, a horizontal well with a first take point in the NE/4SE/4 of Section 36 and a last take point in the NW/4SW/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. 22839

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 Bone Spring 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 wells 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 N2S2 of Section 36 and the N2S2 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 B2IL 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

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- (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 26th day of May, 2022 by Adriana Salgado.

My Commission Expires: 8-28-22

T. Alexander
Notary Public

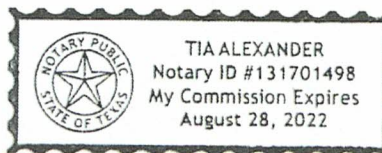
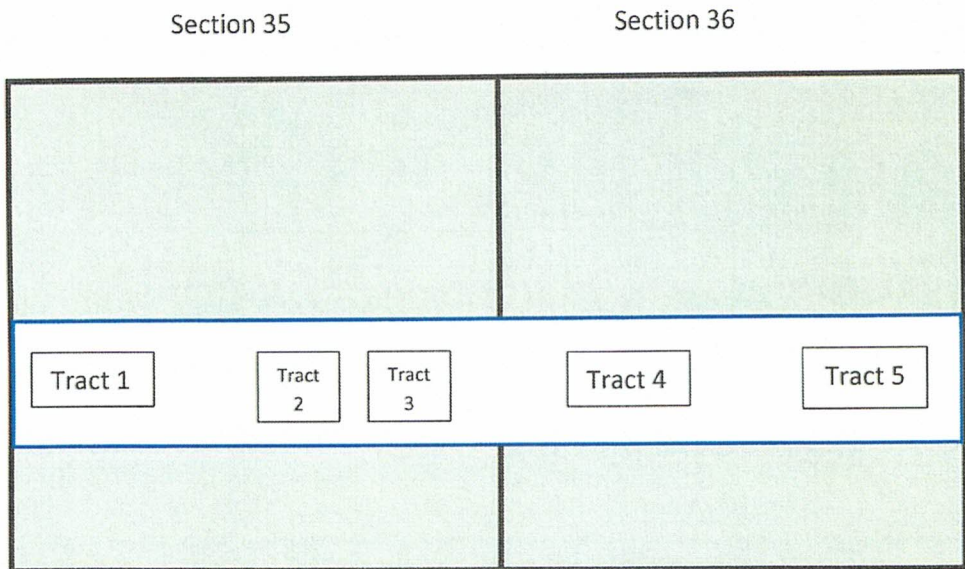


EXHIBIT 1

Section Plat
Wild Turkey 36/35 B2IL State Com #1H
N/2S/2 of Section 36 & N/2S/2 of Section 35
T18S-R28E, Eddy County, NM



*Indicates parties being pooled.

**Tract 1: N2SW 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: NWSE 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: NESE 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: N2SW 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: N2SE 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

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 49553		3 Pool Name Palmillo; Bone Spring East					
4 Property Code		5 Property Name WILD TURKEY 36/35 B2IL STATE COM						6 Well Number 1H	
7 OGRID NO.		8 Operator Name MEWBOURNE OIL COMPANY						9 Elevation 3395'	
10 Surface Location									
UL or lot no. I	Section 36	Township 18S	Range 28E	Lot Idn	Feet from the 1480	North/South line SOUTH	Feet From the 290	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. L	Section 35	Township 18S	Range 28E	Lot Idn	Feet from the 2000	North/South line SOUTH	Feet from the 100	East/West line WEST	County EDDY
12 Dedicated Acres 320		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.

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CORNER DATA
NAD 83 GRID - NM EAST

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION
N: 618993.1 - E: 606087.9
LAT: 32.7014775° N
LONG: 104.1228347° W

BOTTOM HOLE
N: 619384.8 - E: 596126.1
LAT: 32.7026043° N
LONG: 104.1552177° W

A: FOUND BRASS CAP "1914"
N 617384.0 - E 596024.3
B: FOUND BRASS CAP "1914"
N 620031.3 - E 596026.7
C: FOUND BRASS CAP "1914"
N 622680.8 - E 596034.8
D: FOUND BRASS CAP "1914"
N 622712.4 - E 598636.8
E: FOUND BRASS CAP "1914"
N 622744.4 - E 601240.5
F: FOUND BRASS CAP "1914"
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 "1914"
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 _____

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

ROBERT M. HOWETT
NEW MEXICO
19680
PROFESSIONAL SURVEYOR

Job No.: LS21101131

EXHIBIT 2

TRACT OWNERSHIP

Wild Turkey 36/35 B2HE State Com #1H
Wild Turkey 36/35 B3HE State Com #1H
Wild Turkey 36/35 B2IL State Com #1H
Wild Turkey 36/35 BPM 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	26.736790%
*COG Operating LLC 600 W. Illinois Ave. Midland, Texas 79701	24.298402%
Chevron U.S.A. Inc. P.O. Box 2100 Houston, Texas 77252	12.500000%
Marathon Oil Permian LLC 5555 San Felipe Houston, Texas 77056	10.187500%
*Magnum Hunter Production 600 N. Marienfeld St., Ste. 600 Midland, Texas 79701	6.394317%
J. Cleo Thompson & James Cleo Thompson, Jr. 325 North St. Paul, Suite 4300 Dallas, Texas 75201-3993	3.750000%
Fasken Oil and Ranch, Ltd. 6101 Holiday Hill Road Midland, Texas 79707	3.750000%
*Gahr Energy Company P.O. Box 1889 Midland, Texas 79702	1.669149%

*Fuel Products, Inc. P.O. Box 1889 Midland, Texas 79702	1.669149%
*Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, Oklahoma 73102	1.598579%
*WPX Energy Permian LLC P.O. Box 842894 Dallas, Texas 75284-2894	1.531972%
*Concho Resources Inc. 600 W. Illinois Ave. Midland, Texas 79701	1.278863%
*V-F Petroleum Inc. P.O. Box 1889 Midland, Texas 79702	1.276125%
Penroc Oil Corporation (fka Voyager Gas Corp & White Oak Res.) P.O. Box 2769 Hobbs, New Mexico 88241	0.937500%
*Mizel Resources, a Trust 4350 S. Monaco Street, Fifth Floor Denver, Colorado 80237	0.750000%
CBR Oil Properties LLC P.O. Box 1518 Roswell, New Mexico 88202	0.399644%
Stevens Oil and Gas, LLC (fka Norman L. Stevens, Jr. Irrev. Trust) 1000 Louisiana, Ste. 2000 Houston, Texas 77002-5011	0.266429%
David M. Stevens (fka Norman L. Stevens, Jr. Irrev. Trust) 1000 Louisiana, Ste. 2000 Houston, Texas 77002-5011	0.133215%
Fisco Inc. P.O. Box 3087 Roswell, New Mexico 88202	0.399644%
First Century Oil Inc. P.O. Box 1518 Roswell, New Mexico 88202-1518	0.399644%

*Lodge Exploration Company, LLC 0.063689%
203 W. Wall Street, Ste. 920
Midland, Texas 79701

*Sandra K. Lawlis 0.009389%
P.O. Box 1889
Midland, Texas 79702

Total 100.00000%

*Total interest being pooled: 40.539634%

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

Company Name: COG Operating LLC/Concho Resources		
Date:	Communicated with:	Comments/Actions:
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.

Company Name: Magnum Hunter Production		
Date:	Communicated with:	Comments/Actions:
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.

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

Company Name: Lodge Exploration Company, LLC		
Date:	Communicated with:	Comments/Actions:
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.

Company Name: Sandra K. Lawlis		
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.
3/6/22		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
1130' FNL & 205' FEL (SL) (Sec 36)
1800' FNL & 100' FWL (BHL) (Sec 35)
Sections 35 & 36, T18S, R28E
Eddy County, New Mexico
TVD: 7,530' MD: 17,300'
Proration Unit/Project Area: S2N2 of Sec 35 & 36</p> | <p>Wild Turkey 36/35 B2IL State Com #1H
1450' FSL & 205' FEL (SL) (Sec 36)
2000' FSL & 100' FWL (BHL) (Sec 35)
Sections 35 & 36, T18S, R28E
Eddy County, New Mexico
TVD: 7,485' MD: 17,245'
Proration Unit/Project Area: N2S2 of Sec 35 & 36</p> |
| <p>Wild Turkey 36/35 B2PM State Com #1H
1420' FSL & 205' FEL (SL) (Sec 36)
660' FSL & 100' FWL (BHL) (Sec 35)
Sections 35 & 36, T18S, R28E
Eddy County, New Mexico
TVD: 7,500' MD: 17,300'
Proration Unit/Project Area: S2S2 of Sec 35 & 36</p> | <p>Wild Turkey 36/35 B3AD State Com #1H
1100' FNL & 205' FEL (SL) (Sec 36)
500' FNL & 100' FWL (BHL) (Sec 35)
Sections 35 & 36, T18S, R28E
Eddy County, New Mexico
TVD: 8,450' MD: 18,183'
Proration Unit/Project Area: N2N2 of Sec 35 & 36</p> |
| <p>Wild Turkey 36/35 B3HE State Com #1H
1160' FNL & 205' FEL (SL) (Sec 36)
1900' FNL & 100' FWL (BHL) (Sec 35)
Sections 35 & 36, T18S, R28E
Eddy County, New Mexico
TVD: 8,460' MD: 18,190'
Proration Unit/Project Area: S2N2 of Sec 35 & 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.

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 Ooperting 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 | 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.

Sincerely,

MEWBOURNE OIL COMPANY



Adriana Salgado
Landman

EXHIBIT 4

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: WILD TURKEY 36/35 B2IL STATE COM #1H Prospect: 2ND BSS (2.0 Mile Lateral)
 Location: SL: 1450 FSL & 205 FEL (36) ; BHL: 2000 FSL & 100 FWL (35) County: Eddy ST: NM
 Sec. 36&35 Blk: Survey: TWP: 18S RNG: 28E Prop. TVD: 7485 TMD: 17245

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	\$275,000		
Equipment Rental		0180-0180	\$195,000	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	\$238,770	0180-0299	\$358,310
TOTAL			\$2,626,470		\$3,941,410
TANGIBLE COSTS 0181					
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")	8000' - 7" 29# HCP-110 LT&C @ \$28.5/ft	0181-0796	\$243,500		
Casing (4.1" - 6.0")	10690' - 4 1/2" 13.5# P-110 BPN @ \$15.5/ft			0181-0797	\$177,000
Tubing	7000' - 2 7/8" 6.5# L-80 Tbg @ \$13/ft			0181-0798	\$97,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
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				0181-0905	\$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
TOTAL			\$380,200		\$1,388,700
SUBTOTAL			\$3,006,670		\$5,330,110
TOTAL WELL COST					\$8,336,780

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: G. Edington Date: 9/1/2021

Company Approval: _____ Date: _____

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____ Signature: _____

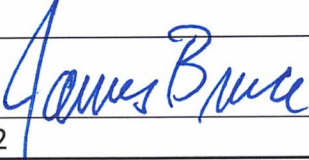
COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case:	22839
Date:	June 2, 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, Lea County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Wild Turkey 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
Pool Name and Pool Code:	Palmillo; Bone Spring, East (Pool Code 49553)
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)	320 acres
Building Blocks:	Quarter-quarter sections
Orientation:	North-South
Description: TRS/County	N/2S/2 §36 and N/2S/2 §35-18S-28E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits 2-1 and 2-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Wild Turkey Well No. B2IL API No. 30-015-Pending SHL: 1480 FSL & 290 FEL §36 BHL: 2000 FSL & 100 FWL §35 FTP: 2000 FSL & 100 FEL §36 LTP: 2000 FSL & 100 FWL §35 Second Bone Spring Sand/TVD 7485 feet/MD 17245 feet
Horizontal Well First and Last Take Points	See above

EXHIBIT

6

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
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 1-1
Tract List (including lease numbers and owners)	Exhibit 1-1
Pooled Parties (including ownership type)	Exhibit 1-2
Unlocatable Parties to be Pooled	
Ownership Depth Severance (including percentage above & below)	
Joinder	
Sample Copy of Proposal Letter	Exhibit 1-3
List of Interest Owners (<i>i.e.</i> Exhibit A of JOA)	Exhibit 1-2
Chronology of Contact with Non-Joined Working Interests	Exhibit 1-3
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 1-4
Cost Estimate to Equip Well	Exhibit 1-4
Cost Estimate for Production Facilities	Exhibit 1-4
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibits 3-A and 3-C
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 1-1
Tracts	Exhibit 1-1
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 1-2
General Location Map (including basin)	Exhibit 1-1
Well Bore Location Map	Exhibits 1-1 and 3-A

Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 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:	May 31, 2022