CASE NO. 23013

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

EXHIBIT LIST

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

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 230 13

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, in a horizontal spacing unit comprised of the W½E½ of Section 15 and the W½E½ of Section 10, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Ibex 15/10 B1OB Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H to depths sufficient to test the Bone Spring formation, and to dedicate the W½E½ of Section 15 and the W½E½ of Section 10 to the wells to form a 320 acre horizontal spacing unit in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring. The wells are horizontal wells, with first take points in the in the SW¼SE¼ of Section 15 and last take points in the NW¼NE¼ of Section 10.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10 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 wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation, limited to depths from the top of

EXHIBIT

the First Bone Spring to the base of the Second Bone Spring, in the W½E½ of Section 15 and the W½E½ of Section 10, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the W½E½ of Section 15 and the W½E½ of Section 10, as set forth above, 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, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' 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 wells 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, Lea County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15 and the W/2E/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Ibex 15/10 B10B Fed. Com. Well No. 1H and the Ibex 15/10 B20B Fed. Com. Well No. 1H, horizontal wells with first take points in the SW/4SE/4 of Section 15 and last take points in the NW/4NE/4 of Section 10. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 19-1/2 miles west-southwest of Eunice, 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, LEA COUNTY, NEW MEXICO.

Case No. 23013

VERIFIED STATEMENT OF MITCH ROBB

Mitch Robb, 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 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 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. Some interest owners may be unlocatable.
 - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. Mewbourne seeks an order pooling all mineral interests in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the second Bone Spring, underlying the W/2E/2 of Section 10 and the W/2E/2 of Section 15, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to:
 - (i) the Ibex 15/10 B1OB Fed Com #1H, a horizontal well with a first take point in the SW/4 SE/4 of 15 and a final take point in the NW/4 NE/4 of Section 10; and
 - (ii) the Ibex 15/10 B2OB Fed Com #1H, , a horizontal well with a first take point in the SW/4 SE/4 of 15 and a final take point in the NW/4 NE/4 of Section

ехнівіт 2

Forms c-102 for the wells are also part of Attachment A.

- (d) The parties being pooled and their interests are set forth in Attachment B. Their current and correct addresses, or last known addresses, are also set forth.
- (e) In order to locate the interest owners Mewbourne examined the county records, performed internet searches, checked telephone records, made calls to family members, and searched Accurint and Whitepages.
- (f) Attachment C contains a summary of contacts or attempted contacts with the interest owners, together with 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 wells, or to locate the owners.
- (h) Mewbourne has the right to pool the overriding royalty owners in the well unit.
- (i) AFEs for the wells are submitted as Attachment D. The costs set for therein are fair and reasonable, and comparable to the costs of other wells of this length and depth drilled in this area of 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. 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 wells.
- (m) The letter sent to working interest owners regarding overlapping well units for two existing Third Bone Spring wells is submitted as Attachment E. No objections have been received by Mewbourne to the overlapping well units.
- (n) The attachments to this affidavit were prepared by me, or compiled from Company business records.
- 0) The granting of this application is in the interests of conservation and the prevention of waste.

| V | E | R | IF | I | C. | A | TI | 0 | N |
|---|---|---|----|---|----|---|----|---|---|
| | | | | | | | | | |

| STATE OF TEXAS |) |
|-------------------|-------|
| |) ss. |
| COUNTY OF MIDLAND |) |

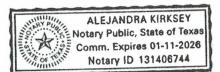
Mitch Robb, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge,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

Mitch Robb

SUBSCRIBED AND SWORN TO before me this 29 day of August, 2022 by Mitch Robb.

My Commission Expires: Oll 124

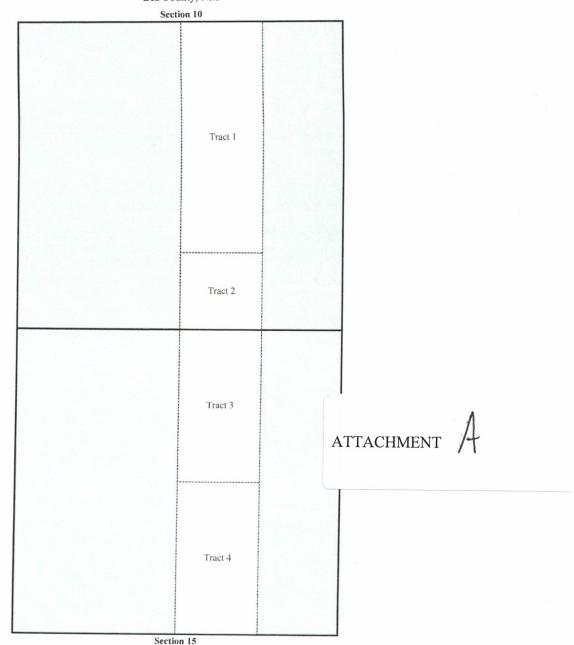
Olyanda Kulsey Notary Public



Section Plat

Ibex 15/10 B1OB Fed Com #1H Ibex 15/10 B2OB Fed Com #1H

W/2E/2 of Section 15 & W/2E/2 of Section 10-T23S-R34E Lea County, NM



Tract 1: W/2NE/4 & NW/4SE/4 of Section 10 - Federal Lease NMNM 15035

Tract 2: SW/4SE/4 of Section 10 - Federal Lease NMNM 13641

Mewbourne Oil Company, et al.
Energy Investors 1987, L.P.
Hunt Oil Company
NRM Operating Company, L.P.
Tom M. Ragsdale
VDP New Mexico, LLC
Endeavor Energy Resources, L.P.
Maverick Oil & Gas Corporation
Michael L. Yates
Phoebe Thompkins

Tract 3: W/2NE/4 of Section 15 - Federal Lease NMNM 13838

Tract 4: W/2SE/4 of Section 15 - Federal Lease NMNM 13641

Mewbourne Oil Company, et al. CRW Corporation Charles C. Albright III, Trustee Tom M. Ragsdale Black & Gold Resources Michael L. Yates Phoebe Thompkins

RECAPITUALTION FOR Ibex 15/10 B10B Fed Com #1H & Ibex 15/10 B20B Fed Com #1H

| Tract Number | Number of Acres Committeed | Percentage of Interst in Communitized Area |
|--------------|----------------------------|--|
| 1 | 120.000000 | 37.500000% |
| 2 | 40.000000 | 12.500000% |
| 3 | 80.000000 | 25.000000% |
| 4 | 80.00000 | 25.000000% |
| TOTAL | 320.000000 | 100.000000% |

T23S-R34E, Lea County, NM

Section 10

| ion 10 | |
|---------|--|
| Tract I | |
| Tract 2 | |
| Tract 3 | |
| Tract 2 | |

Section 15

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

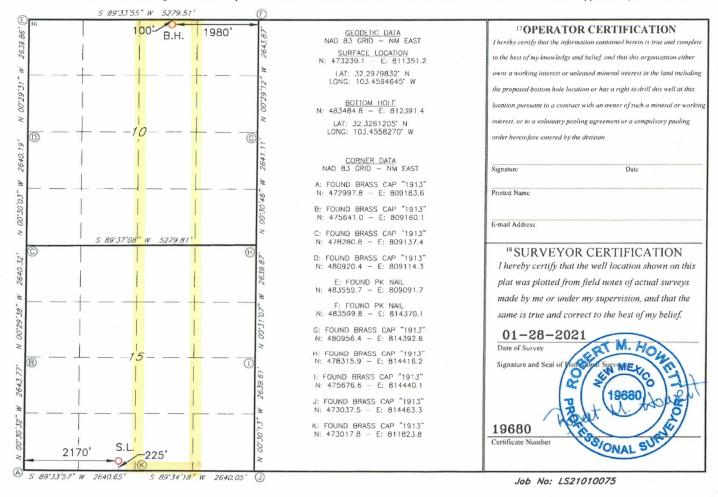
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

| 1 | API Number | | 2 | 2 Pool Code | 7 An | telope R | age Pool No | me Spring | Northe |
|---|------------|--------------|---------------|---|---------------|------------------|---------------------------------|----------------|--------|
| ⁴ Property Co | de | | | IBEX 15/10 B10B FED COM SProperty Name 1H | | | | | |
| SOperator Name SOperator Name MEWBOURNE OIL COMPANY S1454 | | | | | | | ⁹ Elevation 3454' | | |
| | | | | | 10 Surface 1 | Location | | | |
| UL or lot no. | Section | Township | Range | Lot (dn | Feet from the | North/South line | Feet From the | East/West line | County |
| N | 15 | 23S | 34E | | 225 | SOUTH | 2170 | WEST | LEA |
| | | | 11 E | Bottom H | lole Location | If Different Fro | om Surface | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| В | 10 | 23S | 34E | | 100 | NORTH | 1980 | EAST | LEA |
| Dedicated Acres | 13 Joint | or Infill 14 | Consolidation | Code 15 C | 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.



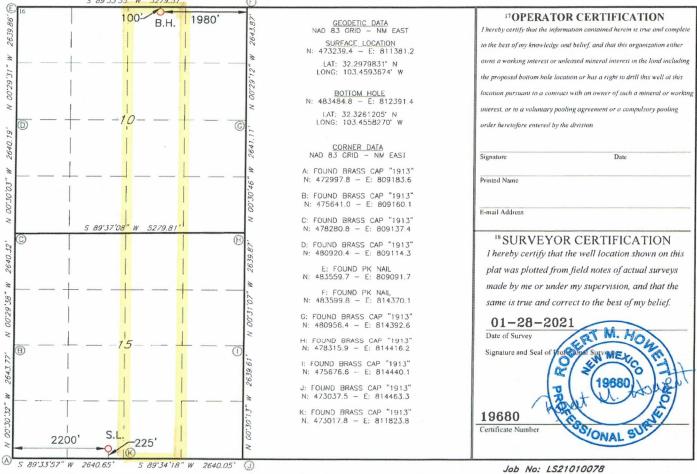
District I
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis 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 LO | OCATI | ON AND ACE | REAGE DEDIC | CATION PLA | T | |
|--------------------------|---|----------|--------------|-----------|---------------------------|---------------------------|--|------------------|----------------------|
| 1 | API Number | | 27 | 2 Pool Co | An | tolope Rio | re. Bone | Spring, | Northwest |
| ⁴ Property Co | 4Property Code IBEX 15/10 B20B FED COM 6 Well Number 1H | | | | | | | | |
| 1 70 GRID | N244 | | | ME | *Operator N VBOURNE OI | | | | 9Elevation 3454' |
| | | | | | 10 Surface | Location | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet From the | East/West line | County |
| N | 15 | 23S | 34E | | 225 | SOUTH | 2200 | WEST | LEA |
| | | | 11] | Bottom | Hole Location | If Different Fr | om Surface | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| В | 10 | 23S | 34E | | 100 | NORTH | 1980 | EAST | LEA |
| 12 Dedicated Acre | Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. | | | | | | | | |
| | | | this complet | ion until | all interest have bee | en consolidated or a | non-standard uni | t has been appro | ved by the division. |
| 5 8 | 89'33'55" W | 5279.51 | | (F) | | | | | |
| 5 | | | | | I hereby certify | y that the information co | RTIFICATION Intained herein is true and comple and that this apparation wither | | |



TRACT OWNERSHIP

Ibex 15/10 B1OB Fed Com #1H & Ibex 15/10 B2OB Fed Com #1H W/2E/2 of Section 15 & W/2E/2 of Section 10-T23S-R34E Lea County, NM

W/2E/2 of Section 15 & W/2E/2 of Section 10 **Bone Spring Formation:**

| Owner | % of Leasehold Interest |
|------------------------------------|-------------------------|
| Mewbourne Oil Company, et al. | 87.766852% |
| * Tom M. Ragsdale | 4.933442% |
| * VDP New Mexico, LLC | 5.255080% |
| * Energy Investors 1987, L.P. | 0.062989% |
| * Endeavor Energy Resources, L.P. | 0.666430% |
| * Maverick Oil & Gas Corporation | 0.558330% |
| * CRW Corporation | 0.533334% |
| * Charles C. Albright III, Trustee | 0.042088% |
| * Hunt Oil Company | 0.053907% |
| * NRM Operating Company, L.P. | 0.003791% |
| * Black & Gold Resources | 0.079175% |
| * Michael L. Yates | 0.030115% |
| * Phoebe Thompkins | 0.014468% |
| TOTAL | 100.000000% |

Total Interest Being Pooled:

12.233148%

OWNERSHIP BY TRACT

W/2E/2 of Section 10

| Owner | % of Leasehold Interest |
|---------------------------------|-------------------------|
| Mewbourne Oil Company, et al. | 83.724954% |
| VDP New Mexico, LLC | 10.510160% |
| Tom M. Ragsdale | 2.966745% |
| Endeavor Energy Resources, L.P. | 1.332861% |
| Maverick Oil & Gas Corporation | 1.116661% |
| Energy Investors 1987, L.P. | 0.125978% |
| Hunt Oil Company | 0.107814% |
| Siana Oil & Gas Company, LLC | 0.062663% |
| Michael L. Yates | 0.030115% |
| Phoebe Thompkins | 0.014468% |
| NRM Operating Company, L.P. | 0.007582% |
| TOTAL | 100.000000% |

W/2E/2 of Section 15

| Owner | % of Leasehold Interest |
|----------------------------------|-------------------------|
| Mewbourne Oil Company, et al. | 91.808750% |
| Tom M. Ragsdale | 6.837475% |
| CRW Corporation | 1.066667% |
| Black & Gold Resources | 0.158350% |
| Charles C. Albright III, Trustee | 0.084175% |
| Michael L. Yates | 0.030115% |
| Phoebe Thompkins | 0.014468% |
| TOTAL | 100.000000% |

ATTACHMENT B

TRACT OWNERSHIP

Ibex 15/10 B1OB Fed Com #1H &
Ibex 15/10 B2OB Fed Com #1H
W/2E/2 of Section 15 & W/2E/2 of Section 10-T23S-R34E
Lea County, NM

W/2E/2 of Section 15 & W/2E/2 of Section 10 Bone Spring Formation:

| | Owner | % of Leasehold Interest | |
|-----|---------------------------------------|-------------------------|--|
| 1 | Mewbourne Oil Company, et al. | 87.766852% | |
| * 1 | Tom M. Ragsdale | 4.933442% | |
| * ' | VDP New Mexico, LLC | 5.255080% | |
| *] | Energy Investors 1987, L.P. | 0.062989% | |
| *] | Endeavor Energy Resources, L.P. | 0.666430% | |
| *] | Maverick Oil & Gas Corporation | 0.558330% | |
| | CRW Corporation | 0.533334% | |
| | Charles C. Albright III, Trustee | 0.042088% | |
| | Hunt Oil Company | 0.053907% | |
| | NRM Operating Company, L.P. | 0.003791% | |
| | Black & Gold Resources | 0.079175% | |
| * | Michael L. Yates | 0.030115% | |
| * | Phoebe Thompkins | 0.014468% | |
| | Record Title Only Below | | |
| * ! | Southern Union Exploration Company | 0.000000% | |
| | Estate of Larry Moore | 0.000000% | |
| *] | Devon Energy Production Company, L.P. | 0.000000% | |
| | TOTAL | 100.000000% | |

Total Interest Being Pooled:

12.233148%

OWNERSHIP BY TRACT

| W/2E/2 | of Sec | tion 10 |
|-----------------|--------|----------|
| V V / A 2 2/1 A | OI DEE | LIUII IV |

| Owner | % of Leasehold Interest |
|---------------------------------|-------------------------|
| Mewbourne Oil Company, et al. | 83.724954% |
| VDP New Mexico, LLC | 10.510160% |
| Tom M. Ragsdale | 2.966745% |
| Endeavor Energy Resources, L.P. | 1.332861% |
| Maverick Oil & Gas Corporation | 1.116661% |
| Energy Investors 1987, L.P. | 0.125978% |
| Hunt Oil Company | 0.107814% |
| Siana Oil & Gas Company, LLC | 0.062663% |
| Michael L. Yates | 0.030115% |
| Phoebe Thompkins | 0.014468% |
| NRM Operating Company, L.P. | 0.007582% |
| TOTAL | 100.000000% |

W/2E/2 of Section 15

| Owner | % of Leasehold Interest |
|----------------------------------|-------------------------|
| Mewbourne Oil Company, et al. | 91.808750% |
| Tom M. Ragsdale | 6.837475% |
| CRW Corporation | 1.066667% |
| Black & Gold Resources | 0.158350% |
| Charles C. Albright III, Trustee | 0.084175% |
| Michael L. Yates | 0.030115% |
| Phoebe Thompkins | 0.014468% |
| TOTAL | 100.000000% |

Summary of Communications Ibex 15/10 B1OB Fed Com #1H & Ibex 15/10 B2OB Fed Com #1H W/2E/2 of Section 15 & W/2E/2 of Section 10-T23S-R34E Lea County, NM

Tom M. Ragsdale:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

8/9/2022: Mailed Updated Well Proposal to the above listed party at new address.

8/9/2022: Emailed Updated Well Proposal to the above listed party.

8/15/2022: Correspondence with above listed party regarding Well Proposal.

VDP New Mexico, LLC:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

8/4/2022: Correspondence with above listed party regarding Well Proposal.

Endeavor Energy Resources, L.P.:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

7/19/2022: Correspondence with above listed party regarding Well Proposal.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

7/25/2022: Correspondence with above listed party regarding Well Proposal.

Mayerick Oil & Gas Corporation:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

7/20/2022: Correspondence with above listed party regarding Well Proposal.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

Hunt Oil Company:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

7/19/2022: Correspondence with above listed party regarding Well Proposal.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

7/25/2022: Correspondence with above listed party regarding Well Proposal.

CRW Corporation

Charles C. Albright III, Trustee

Hunt Oil Company

NRM Operating Company, L.P.

Black & Gold Resources

Michael L. Yates

Phoebe Thompkins

Energy Investors 1987, L.P.:

07/12/2022: Mailed Well Proposal and Communitization Agreement to the above listed party.

07/25/2022: Mailed Updated Well Proposal to the above listed party.

Southern Union Exploration Company

Estate of Larry Moore

Devon Energy Production Company, L.P.:

07/12/2022: Mailed Communitization Agreement to the above listed party.

ATTACHMENT C

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

TELEPHONE (432) 682-3715

July 25, 2022

Via Certified Mail

Working Interest Owner

Re: Ibex 15/10 B1OB Fed Com #1H 225' FSL & 2170' FWL (SL: Sec. 15) 100' FNL & 1980' FEL (BHL: Sec. 10)

> Ibex 15/10 B2OB Fed Com #1H 225' FSL & 2200' FWL (SL: Sec. 15) 100' FNL & 1980' FEL (BHL: Sec. 10)

Sections 15/10, T23S, R34E Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the Ibex 15/10 B1OB Fed Com #1H 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 9,720 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,020 feet. The W/2E/2 of the captioned Sections 15 & 10 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the Ibex 15/10 B2OB Fed Com #1H 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 10,480 feet subsurface to evaluate the Bone Spring Formation. The proposed well will have a measured depth (MD) of approximately 20,725 feet. The W/2E/2 of the captioned Sections 15 & 10 will be dedicated to the well as the proration unit.

In the event your firm elects to participate in the proposed wells, please execute the AFEs and extra copy of Communitization Agreement signature/notary page and return to me within thirty (30) days.

Please make note that this letter is being sent out to correct the well names listed on the well proposal cover letter dated July 25, 2022, for the captioned wells. The AFEs that were sent with said proposal are correct.

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

Sincerely,

MEWBOURNE OIL COMPANY

Mitch Robb Landman

221

AUTHORIZATION FOR EXPENDITURE

| Well Name: | | IBEX 15/10 B10B FED COM #1H '0 FWL (15); BHL: 100 FNL & 1980 FEL | | | ounty: Lea | (10 / PRONG | HORN 15 | ST: NM |
|--|--|--|--|------------|-------------------------|--|---|---|
| Sec. 15 | Blk: Surv | | 7 | 235 | A STATE OF THE PERSON | E Prop. TV | D: 9720 | TMD: 20020 |
| | The second secon | INTANGIBLE COSTS 0180 | - | | CODE | TCP | CODE | СС |
| Regulatory Per | rmits & Surveys | NIANGIBLE COSTS VICE | | | 0180-0100 | | 0180-0200 | |
| | d / Site / Preparat | rion | | | 0180-0105 | | 0180-0205 | \$35,00 |
| Location / Rest | | 1011 | | | 0180-0106 | | 0180-0206 | |
| | key / Footage Dri | illing 22 days drig / 3 days comp @ | \$26000/d | | 0180-0110 | | 0180-0210 | |
| Fuel | | 1700 gal/day @ \$4.7/gal | | | 0180-0114 | | 0180-0214 | |
| Alternate Fuels | 5 | Manage And | | | 0180-0115 | | 0180-0215 | |
| Mud, Chemical | | | | - | 0180-0120 | \$40,000 | 0180-0220 | |
| Mud - Specializ | | | | | 0180-0121 | | 0180-0221 | |
| Horizontal Drille | out Services | | | | | | 0180-0222 | \$200,00 |
| Stimulation Toe | | | | | | | 0180-0223 | \$40,00 |
| Cementing | | | | | 0180-0125 | \$125,000 | 0180-0225 | \$60,00 |
| Logging & Wire | eline Services | | | | 0180-0130 | \$34,000 | - Inches | \$377.60 |
| | g / Snubbing Serv | ices | | | 0180-0134 | STATE OF THE OWNER, TH | 0180-0234 | \$15,00 |
| Mud Logging | J/ Onoouning Ja | 1003 | | | 0180-0137 | \$15,000 | | *1 |
| Stimulation | | 51 Stg 20.2 MM gal / 25.3 Mf | M Ih | | 0100-0.0. | W10,0x | 0180-0241 | \$2,769,00 |
| Stimulation Ren | ntals & Other | 01 0 g 20 2 mm gar. 20 2 | VIID | - | | | 0180-0241 | \$270,00 |
| Water & Other | | | | | 0180-0145 | 935,000 | 0180-0242 | \$434,40 |
| | | | | | | | | \$434,4U |
| Bits | -1- Can Jaga | | | | 0180-0148 | | 0180-0248 | \$E.00 |
| Inspection & Re | | | | | 0180-0150 | \$50,000 | 0180-0250 | \$5,00 |
| Misc. Air & Pur | | | | | 0180-0154 | | 0180-0254 | \$10,00 |
| Testing & Flowt | | | | | 0180-0158 | \$12,000 | | \$24,00 |
| Completion / W | | | | | | | 0180-0260 | \$10,50 |
| Rig Mobilization | | | | | 0180-0164 | \$150,000 | | |
| Transportation | | | | | 0180-0165 | \$30,000 | 0180-0265 | \$8,30 |
| | truction & Maint. S | | | | 0180-0168 | \$4,000 | 0180-0268 | \$15,00 |
| Contract Service | es & Supervision | | | | 0180-0170 | | 0180-0270 | \$65,00 |
| Directional Serv | vices | Includes Vertical Control | | | 0180-0175 | \$323,000 | | |
| Equipment Rent | | | | | 0180-0180 | | 0180-0280 | \$8.30 |
| Well / Lease Le | | | | | 0180-0184 | | 0180-0284 | 44,00 |
| Well / Lease Ins | | | | | 0180-0185 | | 0180-0284 | |
| Intangible Suppl | | | | | 0180-0188 | | 0180-0285 | \$1,00 |
| Damages | illes | | | | 0180-0188 | | 0180-0288 | \$1,00 |
| | nnect, ROW East | amanta | | - | - | \$10,000 | | |
| Company Super | | aments | | | 0180-0192 | *20.000 | 0180-0292 | \$10,00 |
| Overhead Fixed | | | *************************************** | | 0180-0195 | | 0180-0295 | \$36,00 |
| | Rate | FAC (TOP) FAC (OC) | | | 0180-0196 | | 0180-0296 | \$20,00 |
| Contingencies | | 5% (TCP) 5% (CC) | *************************************** | | 0180-0199 | | 0180-0299 | \$245,30 |
| | | | TO | TAL | | \$2,771,000 | | \$5,151,50 |
| | | TANGIBLE COSTS 0181 | | | | | | |
| Casing (19.1" - | | 8.8 Mary Mary Committee December 1 | | | 0181-0793 | | | |
| Casing (10.1" - | | 1350' - 13 3/8" 54.5# J-55 ST&C @ \$76.3 | 3/ft | | 0181-0794 | \$110,000 | | |
| Casing (8.1" - 1 | | 5000' - 9 5/8" 40# HCL80 LT&C @ \$60.8 | | | 0181-0795 | \$324,800 | | |
| Casing (6.1" - 8 | | 9200' - 7" 29# HPP110 BT&C @ \$51.98/1 | | - | 0181-0796 | \$510,700 | | |
| Casing (4.1" - 6 | | 11000' - 4 1/2" 13.5# HCP-110 CDC-HTC | | - | 0101-0100 | \$310,700 | 0181-0797 | \$345,200 |
| Tubing | | 9000' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13/fi | | - | | | | |
| Drilling Head | | 3000 - 2 170 0,5# L 00 11 0 10g (L 0107) | ı | - | 0181-0860 | \$35,000 | 0181-0798 | \$125,000 |
| Tubing Head & L | Inner Section | | | | 0181-0000 | \$35,000 | 2424 0070 | £30.000 |
| Horizontal Comp | | Completion Lines Hanger | | | | | 0181-0870 | \$30,000 |
| | ip. & Artificial Lift | Completion Liner Hanger | | | | | 0181-0871 | \$70,000 |
| Subsurface Equi Sumpling Unit Sy | | | | | - | | 0181-0880 | \$25,000 |
| | Stems | 11/01/70/00/01 | | | | | 0181-0885 | |
| Service Pumps | | (1/3) TP/CP/Circ pump | | - 11 | | 11 | 0181-0886 | \$5,300 |
| | | | | | | | | |
| Storage Tanks | | Existing | | | | | 0181-0890 | |
| missions Contre | | 1 VRT | | | | | 0181-0890 0181-0892 | |
| missions Contro Separation / Trea | ating Equipment | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT | | | | | 0181-0890 0181-0892 0181-0895 | |
| missions Contro Separation / Trea Automation Mete | ating Equipment ering Equipment | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters | | | | | 0181-0890 0181-0892 | \$71,800 |
| missions Contro Separation / Trea Automation Mete Line Pipe & Valve | ating Equipment ering Equipment res - Gathering | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work | | | | | 0181-0890 0181-0892 0181-0895 | \$71,800 \$102,700 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Sittings / Valves | ating Equipment ering Equipment /es - Gathering & Accessories | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 | \$71,800 \$102,700 \$45,600 |
| Emissions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect | ating Equipment ering Equipment yes - Gathering & Accessories tion | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 | \$71,800 \$102,700 \$45,600 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Sittings / Valves | ating Equipment ering Equipment yes - Gathering & Accessories tion | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 | \$71,800 \$102,700 \$45,600 \$280,700 |
| Emissions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect | ating Equipment ering Equipment yes - Gathering & Accessories tion | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 | \$71,800 \$102,700 \$45,600 \$280,700 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ettings / Valves Cathodic Protect Sectrical Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 ml SWDL & Facility gas work Flowline/parts | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 ml SWDL & Facility gas work Flowline/parts | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$59,400 \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 ml SWDL & Facility gas work Flowline/parts | | | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 ml SWDL & Facility gas work Flowline/parts | TOT | AL | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 ml SWDL & Facility gas work Flowline/parts | | | | \$980,500 | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment /es - Gathering & Accessories tion ation | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work | SUBTOT | AL | | | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| Emissions Controperation / Tree Automation Mete Line Pipe & Valve Littings / Valves Lathodic Protect Lectrical Installa Equipment Installa Guipment Construct | ating Equipment ering Equipment res - Gathering & Accessories tion ation llation ction | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work | | AL | | \$980,500 \$3,751,500 | 0181-0890 0181-0892 0181-0895 0181-0898 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| missions Control Separation / Trea Automation Mete Line Pipe & Valve Ittings / Valves Cathodic Protect Sectrical Installa Equipment Installa | ating Equipment ering Equipment res - Gathering & Accessories tion ation llation ction | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work | SUBTOT | AL | | \$980,500 \$3,751,500 | 0181-0890 0181-0892 0181-0895 0181-0998 0181-0900 0181-0906 0181-0908 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| Emissions Contropperation / Tree untomation Mete ine Pipe & Valve ittings / Valves athodic Protect lectrical Installa quipment Installa guipment Construct | ating Equipment ering Equipment les - Gathering staccessories ition liation ction | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W | SUBTOT | AL T | | \$980,500 \$3,751,500 \$10,25 | 0181-0890 0181-0892 0181-0895 0181-0996 0181-0900 0181-0908 0181-0909 0181-0909 0181-0909 0181-0909 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 |
| Emissions Controperation / Tree Automation Meterine Pipe & Valves Cathodic Protect Electrical Installa Equipment Installa Pipeline Constructions of the Construction o | ating Equipment ering Equipment ees - Gathering & Accessories tion ation lilation totion | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W | SUBTOT | AL C | tionale share | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Automation Meterine Pipe & Valves Cathodic Protect Electrical Installa Equipment Installa Pipeline Constructions of the Construction o | ating Equipment ering Equipment les - Gathering & Accessories tion ation llation liction urance lect to be covered perator has secured | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W | SUBTOT | AL C | tionate share | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Automation Meterine Pipe & Valves Cathodic Protect Electrical Installa Equipment Installa Pipeline Constructions of the Construction o | ating Equipment ering Equipment ees - Gathering & Accessories tion ation lilation iction urance lect to be covered perator has secured lect to purchase in | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a B Extra Expense Insurance covering costs of any own well control insurance policy. | SUBTOT. /ELL COST and pay my pr well control, cla | oportean u | p and redrilling | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Automation Meterine Pipe & Valves Cathodic Protect Electrical Installa Equipment Installa Pipeline Constructions of the Construction o | ating Equipment ering Equipment ees - Gathering & Accessories tion ation lilation iction urance lect to be covered perator has secured lect to purchase in | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a B Extra Expense Insurance covering costs of any own well control insurance policy. | SUBTOT. /ELL COST and pay my pr well control, cla | oportean u | p and redrilling | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Automation Mete Line Pipe & Valves Lathodic Protect Lectrical Installa Equipment Install Pipeline Construct Lectrical Lectri | ating Equipment ering Equipment tes - Gathering & Accessories tion ation llation ction urance lect to be covered perator has secured elect to purchase in ked above, non-opera | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance at Extra Expense Insurance covering costs of my own well control insurance policy. | SUBTOTA /ELL COST and pay my pr well control, cla / Operator's well | oportean u | p and redrilling | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Automation Meterine Pipe & Valves Cathodic Protect Electrical Installa Equipment Installa Pipeline Constructions of the Construction o | ating Equipment ering Equipment ees - Gathering & Accessories tion ation lilation rection urance lect to be covered perator has secured lect to purchase in ked above, non-opera | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a g Extra Expense Insurance covering costs of any own well control insurance policy. Iting working interest owner elects to be covered by Ryan McDaniel | SUBTOTA /ELL COST and pay my pr well control, cla / Operator's well | oportean u | p and redrilling | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Line Pipe & Valve Littings / Valves Lathodic Protect Lectrical Installa quipment Installa quipment Construct Lectrical Installa quipment Installa quipment Installa lipeline Construct Lectrical Installa puipment Installa lipeline Construct Lectrical I | ating Equipment ering Equipment ees - Gathering & Accessories tion ation lilation rection urance lect to be covered perator has secured lect to purchase in ked above, non-opera | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a g Extra Expense Insurance covering costs of any own well control insurance policy. Iting working interest owner elects to be covered by Ryan McDaniel | SUBTOT. /ELL COST and pay my pr well control, cle / Operator's woll D | oportean u | of insurance. 6/14/2022 | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Longitude State of the Construction of the Constructio | ating Equipment ering Equipment res - Gathering & Accessories tion litation litation cition urance lect to be covered berator has secured lect to purchase in ked above, non-opera by: | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a of Extra Expense Insurance covering costs of the street of the st | SUBTOT. /ELL COST and pay my pr well control, cle / Operator's woll D | oportean u | p and redrilling | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Longitude State of the Construction of the Constructio | ating Equipment ering Equipment res - Gathering & Accessories tion litation litation cition urance lect to be covered berator has secured lect to purchase in ked above, non-opera by: | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a of Extra Expense Insurance covering costs of the street of the st | SUBTOT. /ELL COST and pay my pr well control, cle / Operator's woll D | oportean u | of insurance. 6/14/2022 | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |
| Emissions Controperation / Tree Longitude State of the Construction of the Constructio | ating Equipment ering Equipment res - Gathering & Accessories tion ation lilation retion urance lect to be covered perator has secured lect to purchase in ked above, non-opera by: val: | 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters (1/3) 1.5 mi SWDL & Facility gas work Flowline/parts (1/3) 1.5 mi SWDL & Facility gas work (1/3) 1.5 mi SWDL & Facility gas work TOTAL W I by Operator's Extra Expense Insurance a g Extra Expense Insurance covering costs of any own well control insurance policy. Iting working interest owner elects to be covered by Ryan McDaniel | SUBTOT. /ELL COST and pay my pr well control, cle / Operator's woll D | oportean u | of insurance. 6/14/2022 | \$980,500 \$3,751,500 \$10,29 | 0181-0890 0181-0892 0181-0895 0181-0895 0181-0900 0181-0906 0181-0906 0181-0909 0181-0910 0181-0920 | \$71,800 \$102,700 \$45,600 \$280,700 \$51,300 \$109,400 \$30,000 \$1,351,400 \$6,502,900 |

File: IBEX 15-10 B10B FED COM #1H AFE.xlsx

ATTACHMENT |

AUTHORIZATION FOR EXPENDITURE

| | BEX 15/10 B2OB FED COM #1H | | | | / PRONG! | HORN 15 | Joy Cura |
|--|--|--|--|---|--|---|--|
| | 0 FWL (15); BHL: 100 FNL & 1980 FE | TWP; 23 | County: | | Prop TVI | 10480 | ST: NM TMD: 20725 |
| Sec. 15 Blk: Surve | | 1WP; [23 | | | | | |
| Regulatory Permits & Surveys | NTANGIBLE COSTS 0180 | | 0180-0 | | *20,000 | 0180-0200 | СС |
| Location / Road / Site / Preparati | ion | | 0180-0 | CONTRACT OF PROPERTY. | | 0180-0205 | \$35,00 |
| Location / Restoration | | | 0180-0 | Marie Carlo State Control | \$200,000 | 0180-0206 | \$8,30 |
| Daywork / Turnkey / Footage Dri | illing 21 days drlg / 3 days comp | @ \$26000/d | 0180-0 | 110 | \$583,100 | 0180-0210 | \$83,30 |
| Fuel | 1700 gal/day @ \$4.7/gal | | 0180-0 | 114 | \$179,200 | 0180-0214 | \$303,00 |
| Alternate Fuels | | | 0180-0 | 115 | | 0180-0215 | \$96,50 |
| Mud, Chemical & Additives | | | 0180-0 | 120 | \$40,000 | 0180-0220 | |
| Mud - Specialized | | | 0180-0 | 121 | \$200,000 | 0180-0221 | |
| Horizontal Drillout Services | | | | | | 0180-0222 | \$200,00 |
| Stimulation Toe Preparation | | | | | | 0180-0223 | \$40,00 |
| Cementing | | | 0180-0 | - | | 0180-0225 | \$60,00 |
| Logging & Wireline Services | | | 0180-0 | | | 0180-0230 | \$377,60 |
| Casing / Tubing / Snubbing Serv | ices | | 0180-0 | | | 0180-0234 | \$15,00 |
| Mud Logging | 51.01 | | 0180-0 | 137 | \$15,000 | | 42 222 22 |
| Stimulation | 51 Stg 20.2 MM gal / 25.3 | MM Ib | _ | | | 0180-0241 | \$2,769,00 |
| Stimulation Rentals & Other | | | _ | | | 0180-0242 | \$270,00 |
| Water & Other | | | 0180-0 | **** | \$35,000 | | \$434,40 |
| Bits Inspection & Repair Services | | | 0180-0 | | | 0180-0248 | A |
| Misc. Air & Pumping Services | | | 0180-0 | | \$50,000 | 0180-0250 | \$5,00 |
| Testing & Flowback Services | | | 0180-0 | | \$12,000 | 0180-0254 | \$10,00 |
| Completion / Workover Rig | | | 0180-01 | 100 | \$12,000 | | \$24,00 |
| Rig Mobilization | | | 0100 0 | 164 | \$150,000 | 0180-0260 | \$10,50 |
| Transportation | | | 0180-01 | | \$150,000 | 0190 0005 | #0.00 |
| Welding, Construction & Maint. S | Services | | 0180-01 | | | 0180-0265 | \$8,30 |
| Contract Services & Supervision | 101 11903 | | 0180-01 | | | 0180-0268 | \$15,00 |
| Directional Services | Includes Vertical Control | | The same of the sa | entertaine de la constitue de | \$306,000 | 0180-0270 | \$65,00 |
| Equipment Rental | melades vertical control | | 0180-01 | | - | 0100 0000 | 60.20 |
| Well / Lease Legal | | | 0180-01 | | | 0180-0280 0180-0284 | \$8,30 |
| Well / Lease Insurance | | | 0180-01 | | | 0180-0284 | |
| Intangible Supplies | | | 0180-01 | | | 0180-0288 | \$1,00 |
| Damages | | | 0180-01 | | | 0180-0280 | \$1,00 |
| Pipeline Interconnect, ROW Ease | ements | | 0180-01 | | 010,000 | 0180-0290 | \$10,00 |
| Company Supervision | | | 0180-01 | | \$86,400 | 0180-0292 | \$36,00 |
| Overhead Fixed Rate | | | 0180-01 | - | | 0180-0295 | \$20.00 |
| Contingencies | 5% (TCP) 5% (CC) | *************************************** | 0180-01 | | | 0180-0290 | \$245,30 |
| | | TOTAL | | | 2,687,300 | | \$5,151,50 |
| 1 | TANGIBLE COSTS 0181 | | | | 1 | | 401101100 |
| Casing (19.1" - 30") | | | 0181-07 | 02 | 1 | | |
| Casing (10.1" - 19.0") | 1350' - 13 3/8" 54.5# J-55 ST&C @ \$76 | 6.3/ft | 0181-07 | Marian Property and Personal | \$110,000 | | |
| Casing (8.1" - 10.0") | 5000' - 9 5/8" 40# HCL80 LT&C @ \$60 | | 0181-07 | | \$324,800 | - | |
| Casing (6.1" - 8.0") | 9900' - 7" 29# HPP110 BT&C @ \$51,9 | | 0181-07 | | \$549,600 | | |
| Casing (4.1" - 6.0") | 11000' - 4 1/2" 13.5# HCP-110 CDC-HT | | | | - | | |
| | 11000 - 4 1/2 13.3# NCP-110 CDC-H | | 1 | 1 | 11 | 0181-0797 | \$345 200 |
| ubing | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 | 3/ft | - | | | 0181-0797 | \$345,200 \$134,700 |
| ubing Drilling Head | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 | 3/ft | 0181-086 | 60 | | 0181-0797 0181-0798 | \$345,200 \$134,700 |
| ubing Prilling Head ubing Head & Upper Section | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 | 3/ft | 0181-086 | 60 | \$35,000 | 0181-0798 | \$134,700 |
| ubing Drilling Head ubing Head & Upper Section Horizontal Completion Tools | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 | 3/ft | 0181-086 | 60 | \$35,000 | 0181-0798 | \$134,700 \$30,000 |
| ubing prilling Head ubing Head & Upper Section lorizontal Completion Tools ubsurface Equip. & Artificial Lift | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 | 3/ft | 0181-086 | 60 | \$35,000 | 0181-0798 | \$134,700 |
| Ubing Prilling Head Ubing Head & Upper Section Ubing Head & Upper Section Uprizontal Completion Tools Ubsurface Equip. & Artificial Lift Pumping Unit Systems | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 Completion Liner Hanger | 3/ft | 0181-086 | 60 | \$35,000 | 0181-0798 0181-0870 0181-0871 | \$134,700 \$30,000 \$70,000 |
| ubing Drilling Head Ubing Head & Upper Section Iorizontal Completion Tools Ubsurface Equip. & Artificial Lift Umping Unit Systems ervice Pumps | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 Completion Liner Hanger (1/3) TP/CP/Circ pump | 14 @ 523.55H | 0181-086 | 60 | \$35,000 | 0181-0798 0181-0870 0181-0871 0181-0880 | \$134,700 \$30,000 \$70,000 |
| ubing Drilling Head 'ubing Head & Upper Section Iorizontal Completion Tools ubsurface Equip. & Artificial Lift 'umping Unit Systems ervice Pumps torage Tanks | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 Completion Liner Hanger (1/3) TP/CP/Circ pump Existing | 3/ft | 0181-086 | 60 | \$35,000 | 0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 | \$134,700 \$30,000 \$70,000 \$25,000 |
| ubing prilling Head ubing Head & Upper Section torizontal Completion Tools ubsurface Equip. & Artificial Lift tumping Unit Systems tervice Pumps torage Tanks missions Control Equipment | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 Completion Liner Hanger (1/3) TP/CP/Circ pump Existing 1 VRT | art Communication (Communication) | 0181-086 | 60 | \$35,000 | 0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886 | \$134,700 \$30,000 \$70,000 \$25,000 |
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| Tubing Tubing Head Tubing Head & Upper Section Torizontal Completion Tools Tubing Tools Tubing Tools Tubing Unit Systems Turning Unit Systems Turning Tools Turning | 9700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13 Completion Liner Hanger (1/3) TP/CP/Circ pump Existing 1 VRT (1/3) 3 H SEP/1 V SEP/1 HHT Automation/fiber/meters | in the second | 0181-086 | 60 | \$35,000 | 0181-0798 0181-0870 0181-0871 0181-0880 0181-0885 0181-0886 0181-0890 0181-0892 0181-0898 | \$134,700 \$30,000 \$70,000 \$25,000 \$5,300 |
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500 West Texas, Suite 1020 Midland, Texas 79701 Phone (432) 682-3715

August 9, 2022

Certified Mail - Return Receipt Requested

To: Working Interest Owners in the Bone Spring formation

W/2E/2 §10, W/2E/2 §15-23S-34E, NMPM

Lea County New Mexico

Re: Overlapping spacing units

Ladies and gentlemen:

As you are aware, Mewbourne Oil Company ("Mewbourne") has proposed the drilling of the Ibex 15/10 B1OB Fed. Com. Well No. 1H ("B1OB") and the Ibex 15/10 B2OB Fed. Com. Well No. 1H ("B2OB") on the above-described lands to a depth sufficient to test the First and Second Bone Spring Sands, respectively. The W/2E/2 §15 and the W/2E/2 §10-23S-34E, NMPM are in the well units for the Ibex 10 B3OB Fed Com. Well No. 1H ("B3OB") (W/2E/2 of Section 10) and the Pronghorn 15 B3BO Fed Com Well No. 1H ("B3BO") (W/2E/2 of Section 15) (both operated by Mewbourne), which have been drilled and completed in the Third Bone Spring Sand. All interest owners in the B3BO and B3OB wells are in the well unit for the B1OB and B2OB wells. There are interest owners in the B3BO well who are not in the B3OB well, and vice versa.

Mewbourne provides this notice pursuant to NMAC 19.15.16.15.B(9)(b). Because of the different sands being tested by the two wells, and the geological barrier between the two zones, Mewbourne expects no effects on the B3OB and B3BO wells from the drilling and completion of the B1OB and B2OB wells. In addition, distribution of production proceeds to the interest owners in the B3OB and B3BO wells will not change upon the drilling of the B1OB and B2OB wells. However the Oil Conservation Division's Rule cited above requires Mewbourne to notify you of the overlapping well units. If you have any objection to Mewbourne filing an Application for Permit to Drill the B1OB and B2OB wells, you must deliver to a written statement of such objection to Mewbourne within 20 days of the date of this letter.

Please contact me if you have any questions.

Very truly yours,

Mitch Robb Landman

ATTACHMENT

.

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

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

Case No. 23013

SELF-AFFIRMED STATEMENT OF JORDAN CARRELL

Jordan Carrell 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 1st Bone Spring Sand top. It shows that structure is relatively flat across the proration unit. It also shows all the 1st and 2nd Bone Spring horizontal wells in the area, and a line of cross-section, and the location of the proposed Ibex 15/10 B2OB Fed Com 1H and Ibex 15/10 B1OB Fed Com 1H.
 - (b) Attachment B is a cross section of the 1st and 2nd Bone Spring intervals and shows the planned target zones for each well.

The well logs on the cross-section give a representative sample of the Bone Spring Formation in this area. The sand is continuous and uniformly thick across the well units.

- 4. I conclude from the maps that:
- (a) The horizontal spacing units are justified from a geologic standpoint.
- (b) The target zones are continuous and of relatively uniform thickness across the well units.
- (c) Each quarter-quarter section in the well units 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 drilling of the subject wells.

EXHIBIT 3

- 5. Attachment C contains the horizontal drilling plans for the proposed wells. The producing intervals of the wells will be orthodox.
- 6. 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 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: 8-24-2022

Jarder Carrell

Jordan Carrell

ATTACHMENT /

Page 21 of 42

Wells deeper than 7000'

●

1st BSPG Sand structural top (subsea) 1st & 2nd BSPG Horizontal Color Code

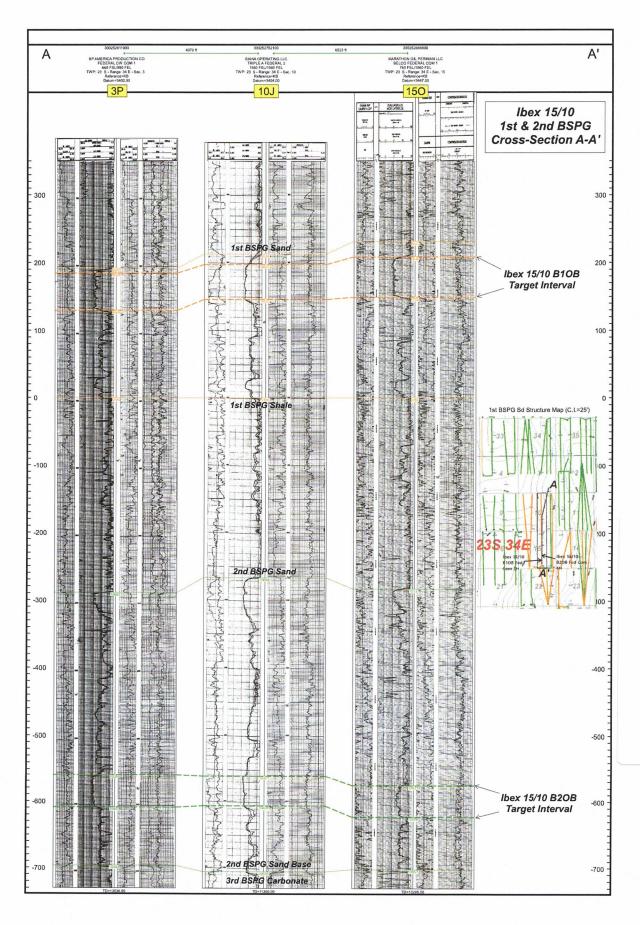
1st BSPG Sand Well
1st BSPG Sand Permit
1st BSPG Shale Well
1st BSPG Shale Permit
2nd BSPG Sand Well
2nd BSPG Sand Permit

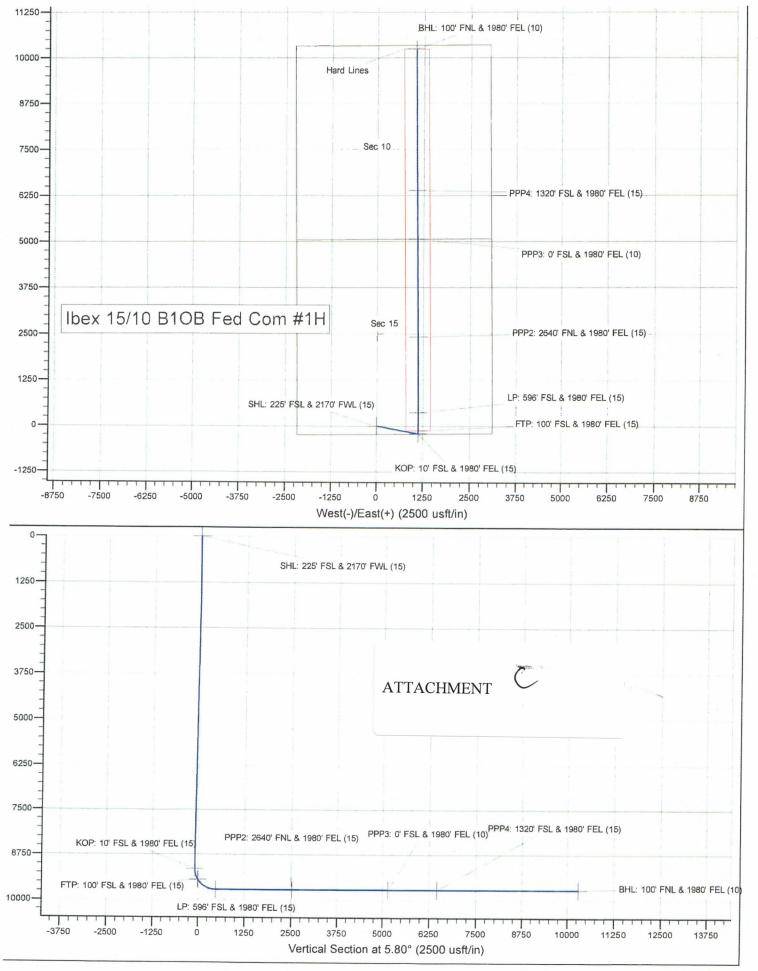
Mewbourne Oil Company

Ibex 15/10 1st BSPG Sand Top Structure Contour Map C.I. = 25'

8/24/22 23S/34E Lea County, NM







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

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

Case No. 23013

| | SELF-AFFIRMED STATEMENT OF NOTICE |
|-----------------------------------|--|
| COUNTY OF S | , |
| STATE OF NE |) ss. EW MEXICO) |
| James E | 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. |
| | Mewbourne Oil Company has conducted a good faith, diligent effort to find the rect addresses of the interest owners entitled to receive notice of the application |
| | Notice of the application was provided to the interest owners, at their last known ertified mail. Copies of the notice letters and certified return receipts are attached hment A. |
| 5. | Applicant has complied with the notice provisions of Division Rules. |
| in this case. I at made under per | I understand that this Self-Affirmed Statement will be used as written testimony ffirm that my testimony in paragraphs 1 through 5 above is true and correct and is nalty of perjury under the laws of the State of New Mexico. My testimony is made andwritten next to my signature below. James Bruce |
| | EXHIBIT \mathcal{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

August 9, 2022

CERTIFIED MAIL

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 23013), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company. In this case Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15 and the W/2E/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Ibex 15/10 B1OB Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, September 1, 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 emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emmrd.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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, 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.

Muld Dul

Attorney for Mewbourne Oil Company

ATTACHMENT

EXHIBIT A

Black & Gold Resources, LLC 25025 IH 45 N, Suite 420 Spring, TX 77380 Attn: David V. De Marco

CRW Corporation P.O. Box 994 Midland, Texas 79701

CRW Corporation 1601 W. Kansas Ave. Midland, Texas 79701

Pride Energy Company P.O. Box 701950 Tulsa, OK 74170

Charles C. Albright, III, Trustee 729 W. 16th Street, Suite B8 Costa Mesa, CA 92627

Tom M. Ragsdale 400 N Sam Houston Pkwy E, Suite 601 Houston, TX 77060

Phoebe Tompkins c/o Andy Tompkins 955 Dutch Road Fairview PA 16415

Maverick Oil & Gas Corporation 1001 W Wall St. Midland, TX 79701

Endeavor Energy Resources, L.P. 110 North Marienfeld Street, Suite 200 Midland, TX 79701

Hunt Oil Company 1900 North Akard Street Dallas, TX 75201 NRM Operating Company, L.P. 2100 Ross Ave., Suite 2600 Dallas, TX 75201

VDP New Mexico, LLC 901 Marquette Ave. S, Suite 3300 Minneapolis, MN 55402

Michael L. Yates 1 Twin Circle Drive Houston, TX 77042

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 23013

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, in a horizontal spacing unit comprised of the W½E½ of Section 15 and the W½E½ of Section 10, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Ibex 15/10 B10B Fed. Com. Well No. 1H and the Ibex 15/10 B20B Fed. Com. Well No. 1H to depths sufficient to test the Bone Spring formation, and to dedicate the W½E½ of Section 15 and the W½E½ of Section 10 to the wells to form a 320 acre horizontal spacing unit in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring. The wells are horizontal wells, with first take points in the in the SW¼SE¼ of Section 15 and last take points in the NW¼NE¼ of Section 10.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10 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 wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation, limited to depths from the top of

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the First Bone Spring to the base of the Second Bone Spring, in the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10, pursuant to NMSA 1978 §§70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10, as set forth above, 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, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying the $W\frac{1}{2}E\frac{1}{2}$ of Section 15 and the $W\frac{1}{2}E\frac{1}{2}$ of Section 10;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the wells' 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 wells 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

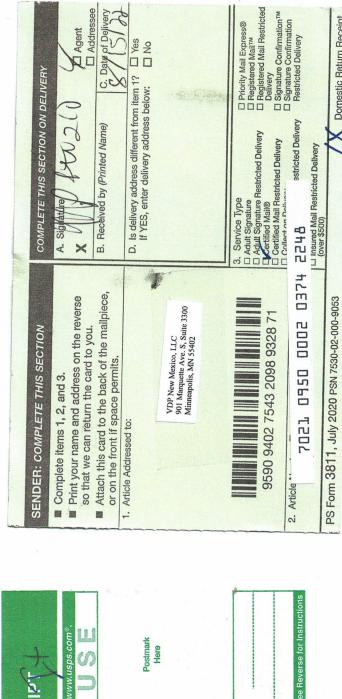
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PS Form 3800, April 2015 PSN 7530-02-000-9047

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X Domestic Return Receipt

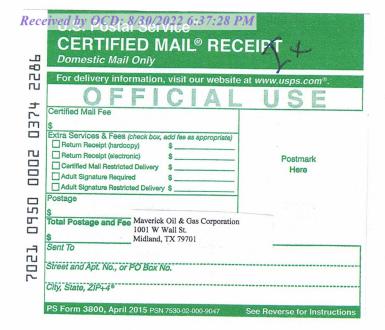
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| COMPLETE THIS SECTION ON DELIVERY | A. Signature X C. Date of Delivery B. Received by (Printed Name) C. Date of Delivery R. (5-12 | D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No | | 3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Adult Signature Restricted Delivery □ Certified Mail® □ Signature Confirmation™ □ Certified Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation™ | 227日 Restricted Delivery Restricted Delivery □ Immuned Mail Restricted Delivery (over \$500) | Domestic Return Receipt |
| 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: | Endeavor Energy Resources, L.P. 110 North Marienfeld Street, Suite 200 Midland, TX 79701 | 9590 9402 7543 2098 9329 01 | 2. Artic 7021, 0950 0002 0374 | PS Form 3811, July 2020 PSN 7530-02-000-9053 |



| COMPLETE THIS SECTION ON DELIVERY | A. Signature X. B. Received by Printed Name) B. Received by Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: | | 3. Service Type and Adult Signature Adult Signature Restricted Delivery Certified Mail® and Certified Mail® belivery confirmation Collect on Delivery Signature Confirmation | ery Restricted Delivery resonant Hestricted Delivery rt \$500) | M Domestic Return Receipt |
|-----------------------------------|--|---|--|--|--|
| 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 mailplece, or on the front if space permits. 1. Article Addressed to: | Hunt Oil Company 1900 North Akard Street Dalles, TX 75201 | 9590 9402 7543 2098 9328 95 | 2. A 7021 0950 0002 0374 2262 | PS Form 3811, July 2020 PSN 7530-02-000-9053 |

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| 7027 | Sent To Street and Apt. No., or PO Box | Pride Energy Company P.O. Box 701950 Tulsa, OK 74170 | |
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| 7021 | Street and Apt. No., or PO 2100 Ross Ave., Suite 2600 Dallas, TX 75201 | |
| L_ | | |

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

August 11, 2022

CERTIFIED MAIL

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling (Case No. 23013), filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company. In this case Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15 and the W/2E/2 of Section 10, Township 23 South, Range 34 East, NMPM. The unit will be dedicated to the Ibex 15/10 B1OB Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, September 1, 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 emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emmrd.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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

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Very truly yours

Attorney for Mewbourne Oil Company

EXHIBIT A

Tom M. Ragsdale Suite 104 8500 Cypresswood Drive Spring, TX 77379

| 3784 | U.S. Postal Service [™] CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com®. | | |
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| 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: | A. Signature |
| Tom M. Ragsdale Suite 104 8500 Cypresswood Drive Spring, TX 77379 | |
| 9590 9402 7543 2098 9500 11 | 3. Service Type □ Adult Signature □ April Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Y Restricted Delivery □ Registered Mail Resulting Delivery □ Signature Confirmation Signature Confirmation Restricted Delivery |
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Cust#: 01101711 Ad #: 00269803 (505)982-2043 Phone:

08/10/2022 Date:

Salesperson:

Ad Taker: Kayla

Sort Line: **37928 BLACK & GOLD** Class:

672

| Description | Start | Stop | Ins. | Cost/Day | Amount |
|--------------------------|------------|------------|------|----------|--------|
| AFF2 Affidavits (Legals) | , | | | | 6.25 |
| BOLD bold | | | | | 1.00 |
| 07 07 Daily News-Sun | 08/11/2022 | 08/11/2022 | 1 | 93.10 | 93.10 |

EXHIBIT

Ad Text:

LEGAL NOTICE August 11, 2022

To: Black & Gold Resources, LLC, CRW Corporation, Pride Energy Company, Charles C. Albright, III, Trustee, Tom M. Ragsdale, Phoebe Tompkins c/o Andy Tompkins, Maverick Oil & Gas Corporation, Endeavor Energy Resources, L.P., Hunt Oil Company, NRM Operating Company, L.P., VDP New Mexico, LLC, and Michael L. Yates, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 23013), seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation,

Payment Reference:

Total: 100.35 Tax: 6.71 Net: 107.06 Prepaid: 0.00 **Total Due** 107.06

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LEGAL NOTICE August 11, 2022

To: Black & Gold Resources, LLC, CRW Corporation, Pride Energy Company, Charles C. Albright, III, Trustee, Tom M. Ragsdale, Phoebe Tompkins c/o Andy Tompkins, Maverick Oil & Gas Corporation, Endeavor Energy Resources, L.P., Hunt Oil Company, NRM Operating Company, L.P., VDP New Mexico, LLC, and Michael L. Yates, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 23013), seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation, limited to depths from the top of the First Bone Spring to the base of the Second Bone Spring, underlying a horizontal spacing unit comprised of the W/2E/2 of Section 15 and the W/2E/2 of Section 10, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to the Ibex 15/10 B10B Fed. Com. Well No. 1H and the Ibex 15/10 B2OB Fed. Com. Well No. 1H. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. This matter is scheduled for hearing at 8:15 a.m. on Thursday, September 1, 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, <u>http://emnrd.state.nm.us/OCD/announcements.html.</u> You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. 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. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@aol.com. The unit is located approximately 19-1/2 miles west-southwest of Eunice, New Mexico. #37928

COMPULSORY POOLING APPLICATION CHECKLIST

| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | | | | |
|---|--|--|--|--|
| Case: | 23013 | | | |
| Date: | September 1, 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 | Ibex Bone Spring 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: | Antelope Ridge; Bone Spring, Northwest (Pool Code 2207) | | | |
| 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: | South-North | | | |
| Description: TRS/County | W/2E/2 §15 and W/2E/2 §10-23S-34E-21S-35E, NMPM, Lea County | | | |
| Standard Horizontal Well Spacing Unit | Yes | | | |
| (Y/N), If No, describe | | | | |
| 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 2-1Aand 2-B | | | |
| Well(s) | | | | |
| Name & API (if assigned), surface and | Ibex 15/10 B1OB Fed. Com. Well No. 1H | | | |
| bottom hole location, footages, | API No. 30-025-Pending | | | |
| completion target, orientation, | SHL: 225 FSL & 2170 FWL §15 | | | |
| completion status (standard or non- | BHL: 100 FNL & 1980 FEL §10 | | | |
| standard) | FTP: 100 FSL & 1980 FEL §15 | | | |
| | LTP: 100 FNL & 1980 FEL §10 | | | |
| | First Bone Spring Sand/TVD 9720 feet/MD 20020 feet | | | |
| | | | | |
| | | | | |
| | | | | |

| Received by OCD: 8/30/2022 6:37:28 PM | Ibex 15/10 B2OB Fed. Com. Well No. 1H API No. 30-025-Pending SHL: 225 FSL & 2200 FWL §15 BHL: 100 FNL & 1980 FEL §10 FTP: 100 FSL & 1980 FEL §15 LTP: 100 FNL & 1980 FEL §10 Second Bone Spring Sand/TVD 10480 feet/MD 20725 feet | Page 41 of 4 |
|---|---|--------------|
| Horizontal Well First and Last Take | See above | |
| Points 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 | Exhibits 2-A and 2-B | |
| Tract List (including lease numbers and | | |
| owners) | Exhibits 2-A and 2-B | |
| Pooled Parties (including ownership | | |
| type) | Exhibits 2-A and 2-B | |
| Unlocatable Parties to be Pooled | | |
| Ownership Depth Severance (including | | |
| percentage above & below) | None | |
| Joinder | | |
| Sample Copy of Proposal Letter | Exhibit 2-C | |
| List of Interest Owners (i.e. Exhibit A of | | |
| JOA) | Exhibits 2-A and 2-B | |
| Chronology of Contact with Non-Joined | | |
| Working Interests | Exhibit -C | |
| Overhead Rates In Proposal Letter | EXHIBIT *C | |
| 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 | Exhibit 3-A | |
| Gunbarrel/Lateral Trajectory Schematic | Exhibits 3-A and 3-B | |
| Well Orientation (with rationale) | Standup/Exhibit 3 | |
| | | |

| Target Formation: 8/30/2022 6:37:28 PM | Bone Spring | Page 42 of 42 |
|---|----------------------|---------------|
| HSU Cross Section | Exhibit 3-B | |
| Depth Severance Discussion | Not Applicable | |
| Forms, Figures and Tables | | |
| C-102 | Exhibit 2-A | |
| Tracts | Exhibit 2-A | |
| Summary of Interests, Unit | | |
| Recapitulation (Tracts) | Exhibits 2-A and 2-B | |
| General Location Map (including basin) | Exhibit 3-A | |
| Well Bore Location Map | Exhibits 2-A and 3-A | |
| Structure Contour Map - Subsea Depth | Exhibit 3-A | |
| Cross Section Location Map (including | | |
| wells) | Exhibit 3-B | |
| Cross Section (including Landing Zone) | Exhibit 3-B | |
| Additional Information | | |
| CERTIFICATION: I hereby certify that the | | |
| information provided in this checklist is | | |
| complete and accurate. | | |
| Printed Name (Attorney or Party | 1 | |
| Representative): | James Bruce | |
| Signed Name (Attorney or Party Representative): | John Bruer | |
| Date: | August 30, 2022 | |