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

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

CASE NO. 23219

HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A		Self-Affirmed Statement of Mitch Robb				
	A-1	Application & Proposed Notice of Hearing				
	A-2	C-102				
	A-3	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation				
	A-4	Sample Well Proposal Letter and AFEs				
	A-5	Chronology of Contact				
Exhib	it B	Self-Affirmed Statement of Charles Crosby				
	B-1	Second Bone Spring Sand Subsea Structure Map				
	B-2	Stratigraphic Cross-Section				
Exhib	it C	Self-Affirmed Statement of Dana S. Hardy				
	C-1	Sample Notice Letter to All Interested Parties				
	C-2	Chart of Notice to All Interested Parties				
	C-3	Copies of Certified Mail Receipts and Returns				
	C-4	Affidavit of Publication for December 20, 2022				

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23219	APPLICANT'S RESPONSE
Date	January 5, 2023
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	OGRID # 14744
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Mewburne Oil Company for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Winterfell
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Young Bone Spring North Pool (Code 65350)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240.45-acres
Building Blocks:	quarter-quarter
Orientation:	West to East
Description: TRS/County	Lots 1 and 2 (N/2 NE/4 equivalent) of Section 6 and Lots 1 through 4 (N/2 N/2 equivalent) of Section 5, Township 18 South, Range 32 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Winterfell 6/5 B2BA Fed Com #1H (API #) SHL: 1730' FNL & 2610' FWL (Unit F), Section 6, T18S, R32E BHL: 500' FNL & 100' FEL (Lot 1), Section 5, T18S, R32E Completion Target: Bone Spring (Approx. 8,360' TVD)
tlerizentel MellifiestrandoastiTakePpints	Exhibit A-2

Received by OCD: 1/3/2023 3:43:59 PM Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to	
notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	N/A
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	N/A
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Tracts	Exhibiteres

Received by OCD: 1/3/2023 3:43:59 PM	Page 4 of 27
General Location Map (including basin)	N/A
Well Bore Location Map	N/A
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-2
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
	. /- /

1/3/2023

Date:

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

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

CASE NO. 23219

SELF-AFFIRMED STATEMENT OF MITCH ROBB

- 1. I am a landman with Mewbourne Oil Company ("Mewbourne") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of Mewbourne's Application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. Mewbourne applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 240.45-acre, more or less, standard horizontal spacing unit comprised of Lots 1 and 2 (N/2 NE/4 equivalent) of Section 6 and Lots 1 through 4 (N/2 N/2 equivalent) of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico ("Unit").
- 5. The Unit will be dedicated to the **Winterfell 6/5 B2BA Fed Com #1H** well, which will be completed in the Young Bone Spring North Pool (Code 65350). The well will be horizontally drilled with a first take point in Lot 2 (NW/4 NE/4) of Section 6 to a bottom hole location in Lot 1 (NE/4 NE/4) of Section 5.
 - 6. The completed interval of the Well will be orthodox.

Mewbourne Oil Company Case No. 23219 Exhibit A

- 7. **Exhibit A-2** contains the C-102 for the Well.
- 8. **Exhibit A-3** contains a plat that identifies ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Mewbourne seeks to pool highlighted in yellow. All of the interest owners are locatable in that Mewbourne believes it located valid addresses for them. To locate the interest owners, I performed internet searches on multiple databases, including Lexis-Nexis Accurint, which is a paid subscription service.
- 9. Mewbourne has conducted a diligent search of all county public records including phone directories and computer databases.
- 10. **Exhibit A-4** contains a sample well proposal letter and AFE sent to the working interest owners for the Wells. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.
- 11. In my opinion, Mewbourne made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit** A-5.
- 12. Mewbourne requests overhead and administrative rates of \$8,000 per month while the Well is being drilled and \$800 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Mewbourne and other operators in the vicinity.
- 13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.
- 14. In my opinion, the granting of Mewbourne's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

I understand this Self-Affirmed Statement will be used as written testimony in the 15. subject cases. I affirm that my testimony 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.

12/29/2022 Date

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

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

Case No. 23219

APPLICATION

Pursuant to NMSA § 70-2-17, Mewbourne Oil Company ("Mewbourne" or "Applicant") applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 240.45-acre, more or less, standard horizontal spacing unit comprised of Lots 1 and 2 (N/2 NE/4 equivalent) of Section 6 and Lots 1 through 4 (N/2 N/2 equivalent) of Section 5, Township 18 South, Range 32 East in Lea County, New Mexico. In support of its application, Mewbourne states the following.

- 1. Mewbourne (OGRID No. 14744) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. The horizontal spacing unit will be dedicated to the Winterfell 6/5 B2BA Fed Com #1H well ("Well"), which will be horizontally drilled from a surface hole location in Lot 2 (NW/4 NE/4) of Section 6 to a bottom hole location in Lot 1 (NE/4 NE/4) of Section 5.
 - 3. The completed interval of the well will be orthodox.
- 4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
 - 6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying

Mewbourne Oil Company Case No. 23219 Exhibit A-1 the subject lands, all uncommitted mineral interests in the Unit should be pooled and Applicant should be designated the operator of the Well and Unit.

WHEREFORE, Applicant requests this application be set for hearing on January 5, 2023, and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the
 Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

Counsel for Mewbourne Oil Company

Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Bone Spring Formation underlying a 240.45-acre, more or less, standard horizontal spacing unit comprised of Lots 1 and 2 (N/2 NE/4 equivalent) of Section 6 and Lots 1 through 4 (N/2 N/2 equivalent) of Section 5, Township 18 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Winterfell 6/5 B2BA Fed Com #1H well ("Well"), which will be horizontally drilled from a surface hole location in Lot 2 (NW/4 NE/4) of Section 6 to a bottom hole location in Lot 1 (NE/4 NE/4) of Section 5. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 6 miles southwest of Maljamar, New Mexico.

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

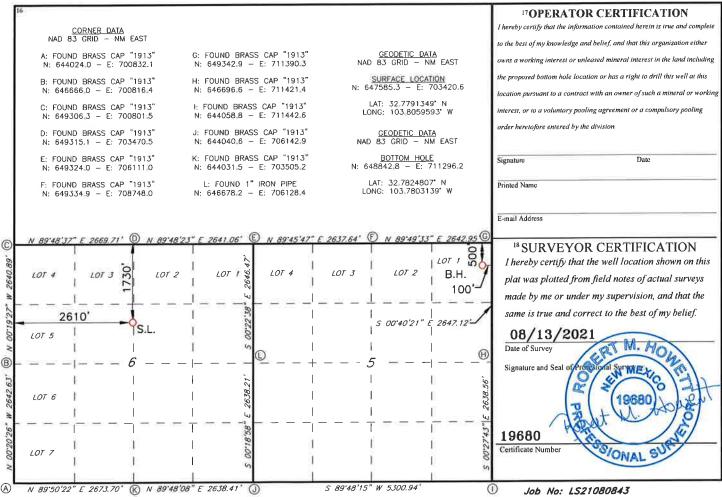
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

l API Number				² Pool Code 65350						
⁴ Property Co	4Property Code SProperty Name WINTERFELL 6/5 B2BA FED COM #1H 1H					Well Number 1H				
70GRID 1 14744		**Operator Name **MEWBOURNE OIL COMPANY** **3834*								
¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County
F	6	18S	32E		1730	NORTH	2610	WES	ST	LEA
			п	Bottom H	ole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line Cou		County
1	5	18S	32E		500	NORTH	100	EAST LEA		LEA
12 Dedicated Acres	13 Joint	or Infill 14 (Consolidation	Code 15 (Order No.					
240.45										

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.



Mewbourne Oil Company Case No. 23219 Exhibit A-2

Section Plat

Winterfell 6/5 B2BA Fed Com #1H N/2NE/4 of Section 6 & N/2N/2 of Section 5

T18S-R32E, Lea County, NM

Secti	ion 6		Section 5				
	Tract l	Tract 2	Tract 3	Tract 4	Tract 5		

Tract 1: NW/4NE/4 of Section 6 - Federal Lease NMNM 121481

Mewbourne Oil Company, et al.

Tract 2: NE/4NE/4 of Section 6 - NMNM 140715

Mewbourne Oil Company, et al.

Tract 3: NW/4NW/4 of Section 5 - Federal Lease NMLC 061154

Mewbourne Oil Company, et al.

Tract 4: NE/4NW/4 of Section 5 - Federal Lease NMLC 029403-B

Mewbourne Oil Company, et al.

Hugh L Johnson, Jr.

Tract 5: N/2NE/4 of Section 5 - Federal Lease NMLC 061155-A

Brock Drilling Company

RECAPITUALTION FOR WINTERFELL 6/5 B2BA FED COM #1H

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	40.04	16.652111%
2	40.05	16.656269%
3	40.07	16.664587%
4	40.08	16.668746%
5	80.21	33.358287%
TOTAL	240.45	100.000000%

Mewbourne Oil Company Case No. 23219 Exhibit A-3

TRACT OWNERSHIP

Winterfell 6/5 B2BA Fed Com #1H N/2NE/4 of Section 6 & N/2N/2 of Section 5

N/2NE/4 of Section 6 & N/2N/2 of Section 5

Bone Spring Formation:

Owner % of Leasehold Interest

Mewbourne Oil Company, et al. 66.641713%

*Brock Drilling Company 33.358287%

453 Marino Road Bryan, TX 77808

*Hugh L Johnson, Jr.
1508 W. 10th Street 0.000000%

Wichita Falls, TX 76301

TOTAL 100.000000%

Total Interest Being Pooled: 33.358287%

OWNERSHIP BY TRACT

NW/4NE/4 of Section 6

Owner% of Leasehold InterestMewbourne Oil Company, et al.100.000000%TOTAL100.000000%

NE/4NE/4 of Section 6

 Owner
 % of Leasehold Interest

 Mewbourne Oil Company, et al.
 100.000000%

 TOTAL
 100.000000%

NW/4NW/4 of Section 5

Owner% of Leasehold InterestMewbourne Oil Company, et al.100.000000%TOTAL100.000000%

NE/4NW/4 of Section 5

 Owner
 % of Leasehold Interest

 Mewbourne Oil Company, et al.
 100.000000%

 Hugh L Johnson, Jr.
 0.000000%

 TOTAL
 100.000000%

N/2NE/4 of Section 5

Owner % of Leasehold Interest
Brock Drilling Company 100.000000%
TOTAL 100.000000%

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

November 10, 2022

Via Certified Mail

Brock Drilling Company 453 Marino Road Bryan, TX 77808

Re: Winterfell 6/5 B2BA Fed Com #1H 1730' FNL & 2610' FWL (Section 6) 500' FNL & 100' FEL (Section 5)

> Section 1, T18S, R31E, Eddy County, New Mexico Sections 5&6, T18S, R32E, Lea County, New Mexico

Ladies and Gentlemen,

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to drill the captioned Winterfell 6/5 B2BA 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 8,360 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 16,550 feet. The N/2NE/4 of the captioned Section 6 and the N/2N/2 of the captioned Section 5 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling our AFEs dated September 14, 2022 for the captioned proposed wells. Please sign and return said AFEs at your earliest convenience if you elect to participate in the captioned wells return to me within thirty (30) days.

Also enclosed for your further handling is our proposed Federal Communitization Agreement dated December 1, 2022 covering the spacing unit for the above captioned well and 3 sets of extra signature/notary pages of same for each. This agreement communitizes the leases covering the captioned well for Bone Spring production.

In reference to the above, please have the agreements executed and return only the extra set of signature/notary pages to me for further handling. Please retain the copies of the Communitization Agreements for your file.

In lieu of participation, Mewbourne is offering to acquire your interest in the above captioned well and lands.

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

To har

Mewbourne Oil Company Case No. 23219 Exhibit A-4

Mitch Robb

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name:	WINTERFELL 6/5 B2BA FED COM #1H	1	Pros	pect:	CASTLE BLACK		
And the Contract of	SL: 1730 FNL & 2610 FWL (6); BHL: 500 FNL & 100 FEL (5	5)	Co	unty:	.ea		ST: NM
Sec. 6	Bik: Survey:	1100 0	88	RNG	32E Prop. T	VD: 8360	TMD: 16550
	INTANGIBLE COSTS 0180			CODE	ТСР	CODE	CC
Regulatory P	ermits & Surveys			0180-01	00 \$20,00	0 0180-0200	
	ad / Site / Preparation			0180-01		0180-0205	
Location / Re	storation			0180-01		0180-0206	
Daywork / Tu	rnkey / Footage Drilling 18 days drlg / 3 days comp @	\$26000/d		0180-01		0180-0210	
Fuel	1700 gal/day @ \$4.3/gal			0180-01		0180-0214	
Alternate Fue	ls			0180-01		0180-0215	
	al & Additives			0180-01		0180-0220	
Mud - Specia	lized			0180-01	21 \$200,00	0180-0221	
	illout Services					0180-0222	
Stimulation T	oe Preparation					0180-0223	
Cementing				0180-01		0180-0225	
	ireline Services		\dashv	0180-01		00 0180-0230	
	ng / Snubbing Services			0180-01			\$15,00
Mud Logging				0180-01	37 \$15,00		
Stimulation	37 Stg 14.9 MM gal / 18.7 MN	/I lb				0180-0241	\$2,120,00
	entals & Other					0180-0242	
Water & Other	er FW f/ Select Arya Pit @ \$0.70	/bbl	_	0180-01		0180-0245	
Bits			_	0180-01		0180-0248	
	Repair Services		\rightarrow	0180-01		0180-0250	
	umping Services		=	0180-01		0180-0254	
	wback Services			0180-01	58 \$12,00		
	Workover Rig				01515	0180-0260	\$10,50
Rig Mobilizat				0180-01		_11	F00.55
Transportation				0180-01		0180-0265	
	struction & Maint. Services		\perp	0180-01		00 0180-0268	
	rices & Supervision			0180-01		0180-0270	\$62,00
Directional S				0180-01			
Equipment R				0180-01		0180-0280	
Well / Lease	Legal			0180-01		0180-0284	
Well / Lease				0180-01		0180-0285	
Intangible Su	pplies			0180-01		0180-0288	
Damages			_	0180-01		0180-0290	
	connect, ROW Easements		_	0180-01		0180-0292	
Company Su				0180-01			
Overhead Fix			_	0180-01		0180-0296	
Contingencie	s 5% (TCP) 5% (CC)		_	0180-01		-1	
		TO1	TAL	<u></u>	\$2,509,40	10	\$4,008,10
	TANGIBLE COSTS 0181		- 1				
Casing (19.1)	– 30")			0181-07	93		
Casing (10.1)		3/ft		0181-07	94 \$92,90	00	
Casing (8.1"		t		0181-07	95 \$130,70	00	
Casing (6.1"	- 8.0") 7900' - 7" 29# HPP110 BT&C @ \$51.98/	ft		0181-07	96 \$438,60	10	
Casing (4.1"	- 6.0") 8850" - 4 1/2" 13.5# HCP-110 CDC-HTQ	@ \$29.38/ft				0181-0797	
Tubing	7700' - 2 7/8" 6.5# L-80 IPC Tbg @ \$14.8	B/ft				0181-0798	\$121,70
Drilling Head				0181-08	60 \$35,00		
Tubing Head	& Upper Section					0181-0870	
	impletion Tools Completion Liner Hanger					0181-0871	\$70,000
Subsurface E	quip. & Artificial Lift					0181-0880	
Pumping Unit	Systems					0181-0885	
Service Pum	os					0181-0886	
Storage Tank	S					0181-0890	
	ontrol Equipment (1/2) 1 VRT/1 AIR					0181-0892	
Separation /	Freating Equipment (1/2) 2 H Sep/2 V Sep/1 VHT					0181-0895	
Automation N	letering Equipment					0181-0898	
	alves - Gathering (1/2) Facility Work					0181-0900	
Fittings / Valv	res & Accessories					0181-0906	
Cathodic Pro	ection					0181-0908	
Electrical Inst	allation					0181-0909	
Equipment In						0181-0910	
Pipeline Cons	struction (1/2) Facility Work					0181-0920	\$14,500
						4	
						-	
		TO1	TAL		\$697,2	00	\$1,008,20
		SUBTO	\neg		\$3,206,6	00	\$5,016,30
-				_			4414.1414
	TOTAL V	NELL COS	T		\$8	,222,900	
Extra Expense	Insurance The Property of the	92596	200		可能够完全的		(4°40 cm _ 4 759
	I elect to be covered by Operator's Extra Expense Insurance	and pay my p	ropo	rtionate	share of the pren	nium.	
	Operator has secured Extra Expense Insurance covering costs of well con	ntrol, clean up ar	nd red	rilling as e	stimated in Line Item	0180-0185.	
	I elect to purchase my own well control insurance policy.		rh-c	narate de	will control insurement	C.F	
Joint owner	If neither box is checked above, non-operating working interest owner ele- grees that item 0180-0245 will be provided by operator, if available, at the	specified rate. Or	perato	r reserves	the right to adjust th	e rate due to a	hange in market
conditions.	grand of the state	V					
	ared by: Ryan McDaniel		Date:	9/13/2	2022		
l Frepa				57,574			
Company A	proval: M. White		Date:	9/14/2	2022		
		12 12 miles	THE T	(- 1 to 1	-		
Joint Owner	Interest: Amount:	July L					
Joint Owne	r Namo:	Signature:					

MEWBOURNE OIL COMPANY

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

TELEPHONE (432) 682-3715

November 10, 2022

Hugh L. Johnston, Jr. 1508 W. 10th Street Wichita Falls, TX 76301

Re: Communitization Agreements

Winterfell 5/6 B2BA Fed Com #1H Sections 5&6-T18S-R32E, Lea County, NM

Ladies and Gentlemen:

Enclosed for your further handling is our proposed Communitization Agreement dated December 1, 2022 covering the captioned well and lands and 3 sets of extra signature/notary pages of same. This agreement communitizes the leases covering N/2NE/4 of the captioned Section 6 and the N/2N/2 of the captioned Section 5 for Bone Spring production.

In reference to the above, please have the agreement executed and return only the extra set of signature/notary pages to me for further handling. Please retain the copy of the Communitization Agreement for your file.

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

Summary of Communications Winterfell 6/5 B2BA Fed Com #1H N/2NE/4 of Section 6-T18S-R33E, Lea County, NM & N/2N/2 of Section 5-T18S-R32E, Lea County, NM

Brock Drilling Company:

01/10/2020: Mailed Working Interest Unit, Well Proposal and Joint Operating Agreement to potential owners of company.

1/21/2020: Called various numbers to try to reach owners of company.

11/10/2022: Mailed updated Well Proposal to the above listed party for above captioned well.

11/14/2022: Well Proposal delivered.

12/20/2022: Called potential owner of above listed company and left voicemail.

Hugh L. Johnston, Jr.

11/10/2022: Mailed Communitization Agreement to the above listed party for above captioned well.

Mewbourne Oil Company Case No. 23219 Exhibit A-5

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

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

CASE NO. 23219

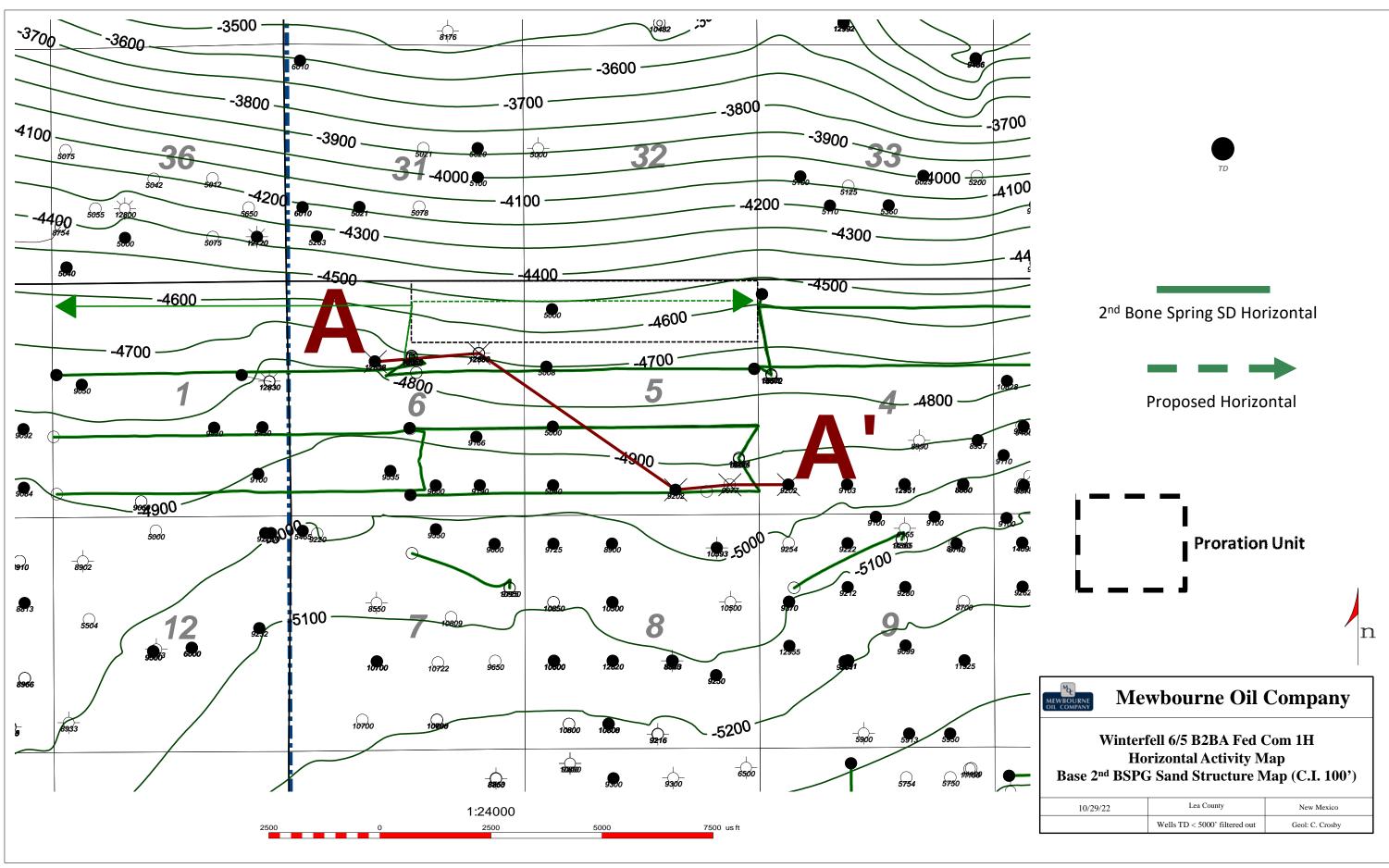
SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

- 1. I am a geologist at Mewbourne Oil Company ("Mewbourne") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record.
 - 2. I am familiar with the geological matters that pertain to the above-referenced case.
- 3. **Exhibit B-1** is a subsea structure map for the Base of the 2nd Bone Spring Sand formation that is representative of the targeted interval. The approximate wellbore path for the **Winterfell 6/5 B2BA Fed Com #1H** well ("Well") is depicted by dashed lines. Existing producing wells in the targeted interval are represented by solid green lines. The map demonstrates the formation is dipping to the south in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.
- 4. **Exhibit B-1** also identifies five wells penetrating the targeted intervals used to construct a structural cross-section from A to A'. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area.
- 5. **Exhibit B-2** is a stratigraphic cross-section using the representative wells identified on **Exhibit B-1**. It contains gamma ray, resistivity and porosity logs. The proposed landing zones

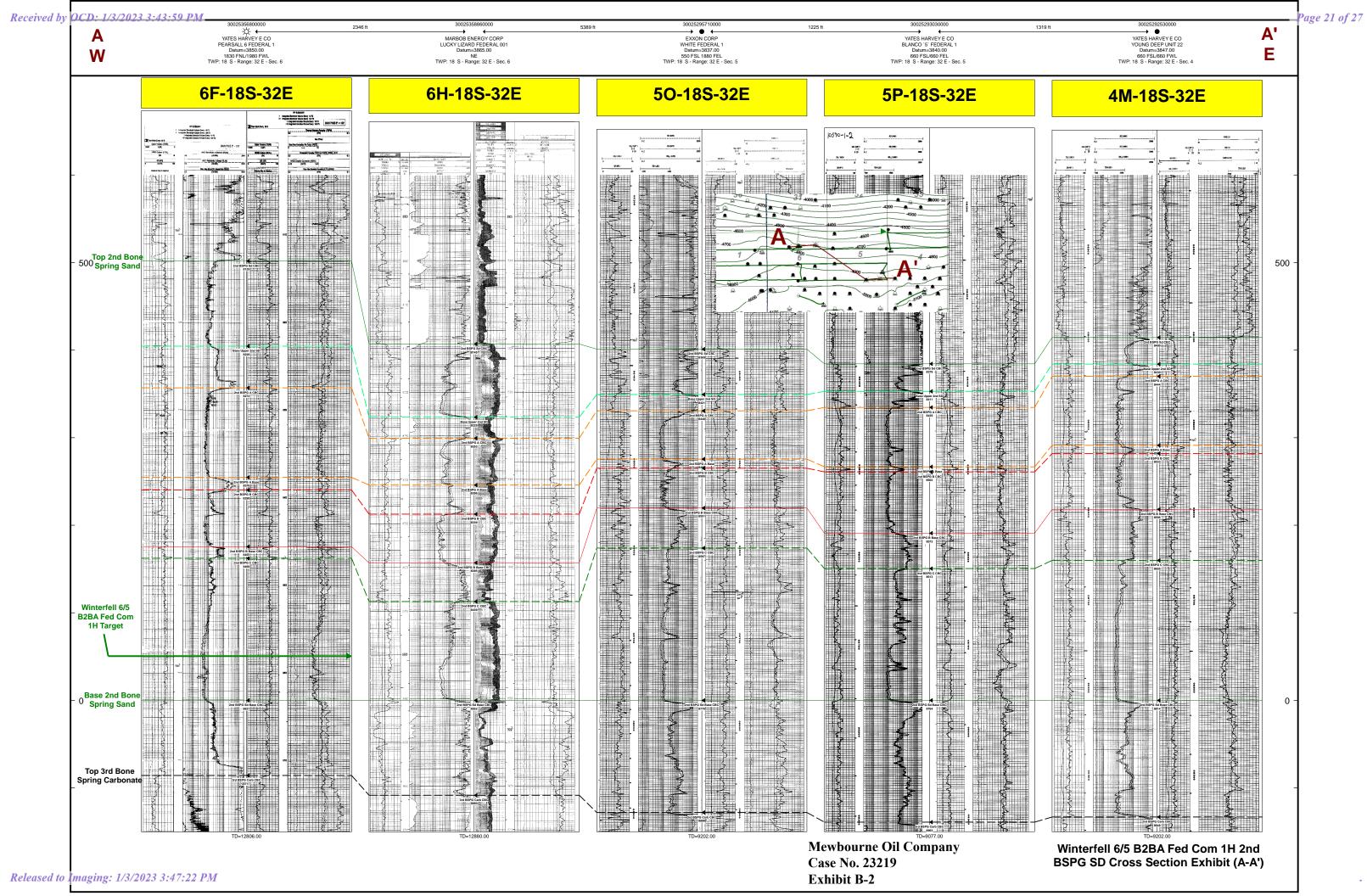
Mewbourne Oil Company Case No. 23219 Exhibit B for the Well are labeled on the exhibit. This cross-section demonstrates the target intervals are continuous across the Units.

- Recent horizontal wells in the immediate area have been drilled in the laydown 6. orientation when taking regional stress regime and local stratigraphic and structural features into consideration.
- Based on my geologic study of the area, the targeted interval underlying the Unit is 7. suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Well.
- In my opinion, the granting of Mewbourne's application will serve the interests of 8. conservation, the protection of correlative rights, and the prevention of waste.
- The attached exhibits were either prepared by me or under my supervision or were 9. compiled from company business records.
- I understand this Self-Affirmed Statement will be used as written testimony in this 10. case. I affirm my testimony 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 identified next to my signature below.

Received by OCD: 1/3/2023 3:43:59 PM



Mewbourne Oil Company Case No. 23219 Exhibit B-1



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

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

CASE NO. 23219

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- I am attorney in fact and authorized representative of Mewbourne Oil Company the Applicant herein.
- 2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.
- 3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.
- 4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
- 5. On December 20, 2022, I caused notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit C-4**.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it 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.

/s/ Dana S. Hardy

<u>January 2, 2022</u>

Dana S. Hardy

Date

Mewbourne Oil Company Case No. 23219 Exhibit C



HINKLE SHANOR LLP

ATTORNEYS AT LAW
P.O. BOX 2068
SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

November 29, 2022

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 23219 - Application of Mewbourne Oil Company for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **January 5**, 2023 beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. 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. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (https://www.apps.emnrd.state.nm.us/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Landman, Mitch Robb at 432-682-3715 if you have questions regarding this matter.

Sincerery,	
/s/ Dana S. Hardy	
Dana S. Hardy	Mewbourne Oil Company
	Case No. 23219

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

Exhibit C-1

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

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

Case No. 23219

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED		
Brock Drilling Company	11/29/2022	12/13/22		
453 Marino Road				
Bryan, TX 77808				
Hugh L. Johnston, Jr.	11/29/2022	12/14/22		
1508 W. 10th Street		Return to sender.		
Wichita Falls, TX 76301				

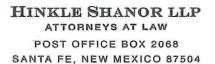
Mewbourne Oil Company Case No. 23219 Exhibit C-2





Mewbourne Oil Company Case No. 23219 Exhibit C-3





RECEIVED

DEC 14 2022

Hinkle Shanor LLP Santa Fe NM 87504



Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated December 20, 2022 and ending with the issue dated December 20, 2022.

Publisher

Sworn and subscribed to before me this 20th day of December 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE December 20, 2022

This is to notify all interested parties, including Brock Drilling Company; Hugh L. Johnston, Jr.; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 23219). The hearing will be conducted remotely on January 5, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: https://www.emnrd.nm.gov/ocd/hearing-info/. Applicant applies for an order pooling all uncommitted interests in the Bone Spring Formation underlying a 240.45-acre, more or less, standard horizontal spacing unit comprised of Lots 1 and 2 (N/2 NE/4 equivalent) of Section 6 and Lots 1 through 4 (N/2 N/2 equivalent) of Section 5, Township 18 South, Range 32 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Winterfell 6/5 B2BA Fed Com #1H well ("Well"), which will be horizontally drilled from a surface hole location in Lot 2 (NW/4 NE/4) of Section 6 to a bottom hole location in Lot 1 (NE/4 NE/4) of Section 5. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 6 miles southwest of Maljamar, New Mexico.

02107475

GILBERT HINKLE, SHANOR LLP PO BOX 2068

SANTA FE, NM 87504

00274028

Mewbourne Oil Company Case No. 23219 Exhibit C-4