

CASE NO. 23298

**APPLICATION OF MEWBOURNE OIL
COMPANY TO RE-OPEN CASE NO. 22639 FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

EXHIBIT LIST

1. Application and Proposed Notice
2. Landman's Affidavit
3. Affidavit of Mailing
4. Publication Affidavit
5. Certified Notice Spreadsheet

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MEWBOURNE OIL COMPANY
TO RE-OPEN CASE NO. 22639 FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

Case No. 23298

APPLICATION

Mewbourne Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22, and has the right to drill a well thereon.

2. Applicant proposes to drill the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H to a depth sufficient to test the Bone Spring formation, and to dedicate the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 to the well. The well is a horizontal well, with a first take point in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22 and a last take point in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 21.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22, pursuant to NMSA 1978

EXHIBIT |

§70-2-17, for the purpose of obtaining approval of a communitization agreement from the Bureau of Land Management.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22; and
- B. Designating applicant as operator of 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 to re-open Case No. 22639 for compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 22 and the S/2S/2 of Section 21, Township 18 South, Range 29 East, NMPM, for the purpose of obtaining approval of a communitization agreement from the Bureau of Land Management. The unit will be dedicated to the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4SE/4 of Section 22 and a last take point in the SW/SW/4 of Section 21. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 8-1/2 miles southwest of Loco Hills, New Mexico.

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF MEWBOURNE OIL COMPANY
TO RE-OPEN CASE NO. 22639 FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO**

Case No. 23298

SELF-AFFIRMED STATEMENT OF ARIANA RODRIGUES

Ariana Rodrigues deposes and states:

1. I am a landman for Mewbourne Oil Company (“Mewbourne”), and have personal knowledge of the matters stated herein. I have previously testified before the New Mexico Oil Conservation Division, and my qualifications as an expert in petroleum land matters were accepted as a matter of record.
2. I am familiar with the application filed by Mewbourne in the above case. Pursuant to Division Rules the following information is submitted in support of the application.
3. Order No. R-22346 entered in Case No. 26339 (submitted as Attachment A) pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for the purpose of drilling the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H.
4. Mewbourne now seeks an order pooling additional mineral interest owners in the Bone Spring formation underlying S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21, pursuant to

EXHIBIT

2

NMSA 1978 §70-2-17, for the purpose of obtaining governmental approval of a communitization agreement for the subject well and well unit.

5. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. The tracts of land involved and the additional interest owners being pooled are shown on Attachment B. No opposition to this application is expected.

6. Attachment C is a copy of the form letter sent to the interest owners requesting their signatures on the communitization agreement, together with proof of certified notice, and a listing of contacts with the parties.

7. I submitted the names and current or last known addresses of the uncommitted mineral interest owners being pooled to Mewbourne's attorney. To locate the addresses, we checked the Bureau of Land Management lease records, where they maintain addresses for Record Title owners. We also examined the records of Eddy County, and did internet and phone searches.

8. The attachments to this affidavit were prepared by me or under my supervision, or compiled from company business records.

9. Granting this application will prevent waste and protect correlative rights.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 9 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: 1/27/2023


Ariana Rodrigues

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

IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBURNE OIL COMPANY

CASE NO. 22639
ORDER NO. R-22346

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 7, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

A

ATTACHMENT

PM

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22639
ORDER NO. R-22346

Page 2 of 7

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR

AES/jag

Date: 10/28/2022

CASE NO. 22639
ORDER NO. R-22346

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Exhibit A

Received by OCD: 10/25/2022 12:49:31 PM Page 2 of 5
COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	22639
Date	July 7, 2022
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company/OGRID No. 14744
Applicant's Counsel:	James Bruce
Case Title:	Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Magnum Hunter Production, Inc./Darin Savage
Well Family	Puma Blanca 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:	Palmillo; Bone Spring, East [Pool Code 49553]
Well Location Setback Rules:	Current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	S/2S/2 §22 and S/2S/2 §21-18S-29E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H API No. 30-015-49294 SHL: 900 FSL & 420 FEL §22 BHL: 500 FSL & 100 FWL §21 FTP: 500 FSL & 100 FEL §22 LTP: 500 FSL & 100 FWL §21 Second Bone Spring/TVD 7820 feet/MD 17985 feet

Corrected
EXHIBIT 6

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Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2
Requested Risk Charge	Exhibit 2
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-B
Tract List (including lease numbers and owners)	Exhibit 2-B
Pooled Parties (including ownership type)	Exhibit 2-B
Unlocatable Parties to be Pooled	
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)	Exhibit 2-B
Chronology of Contacts with Non-Joined Working Interests	Exhibit 2-C
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-D
Cost Estimate to Equip Well	Exhibit 2-D
Cost Estimate for Production Facilities	Exhibit 2-D
Geology	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibit 3-A
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C
Well Orientation (with rationale)	Exhibit 3
Target Formation	Bone Spring
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2-A
Tracts	Exhibit 2-B
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-B

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<i>Received by OCD: 10/25/2022 12:49:31 PM</i> General Location Map (including Basin)	Exhibit 2-A	<i>Page 4 of 5</i>
Well Bore Location Map	Exhibit 2-A	
Structure Contour Map - Subsea Depth	Exhibit 3-A	
Cross Section Location Map (including wells)	Exhibit 3-A	
Cross Section (including Landing Zone)	Exhibit 3-C	
Additional Information		
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	James Bruce	
Signed Name (Attorney or Party Representative):	<i>James Bruce</i>	
Date:	June 29, 2022	

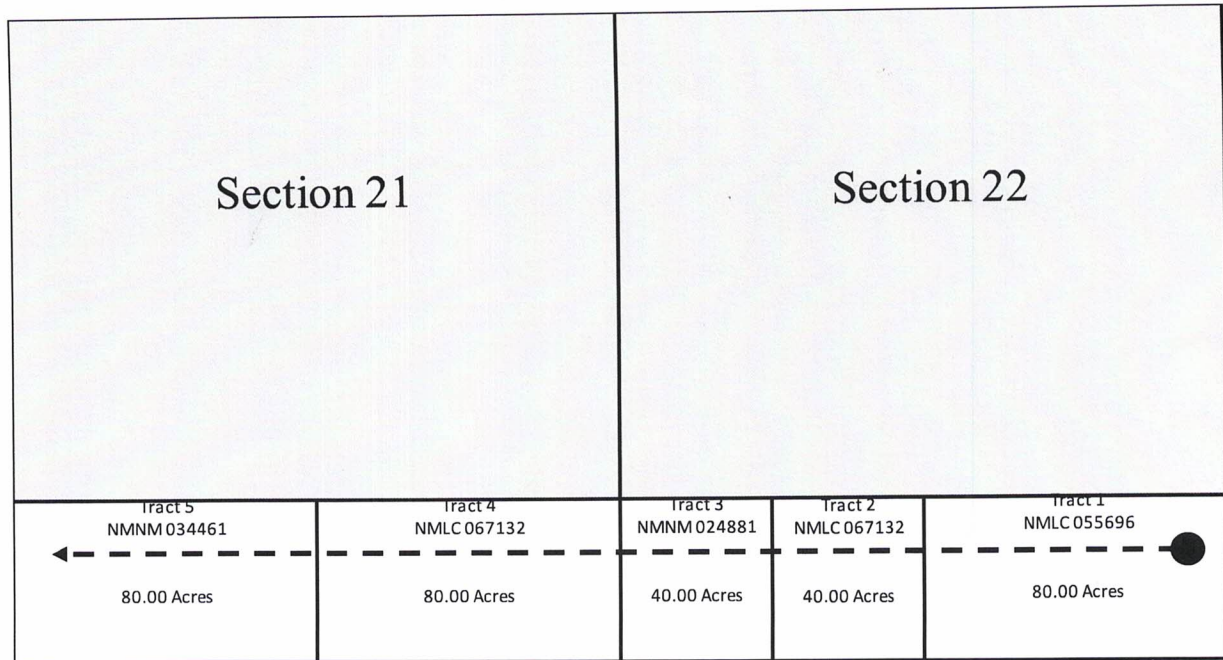
Effective

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Section Plat
Puma Blanca 22/21 B2PM Fed Com #1H
S2S2 of Section 22 & S2S2 of Section 21
T18S, R29E, Eddy County, New Mexico



Owners Pooled:

Tract 1 – Federal Lease NMLC 055696

Estate of William P Dooley
Kenneth G Cone
Cathie Cone McCown

Tract 2 – Federal Lease NMLC 067132

Denton Oil Company
Kenneth G Cone
Cathie Cone McCown

Tract 3 – Federal Lease NMNM 024881

Kenneth G Cone
Cathie Cone McCown

Tract 4 – Federal Lease NMLC 067132

Denton Oil Company
Kenneth G Cone
Cathie Cone McCown

Tract 5 – Federal Lease NMNM 034461

Kenneth G Cone
Cathie Cone McCown

ATTACHMENT **B**

Spacing Unit Ownership

	Percentage
Puma Blanca 22/21 B2PM Fed Com #1H	
Mewbourne Oil Company, et al.	100.000000000%
Estate of William P Dooley	record title only
Denton Oil Company	record title only
Douglas L Cone	record title only
Total	100.000000000%

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020
Midland, Texas 79701
Phone (432) 682-3715

August 1, 2022

Certified Mail

«Owners»
«Attn»
«Address_Line_1»
«Address_Line_2»
«City», «State» «Zip_Code»

Re: Federal Communitization Agreements
Puma Blanca 21/22 B2DA Fed Com #1H
Puma Blanca 21/22 B2EH Fed Com #1H
Puma Blanca 22 B2IL Fed Com #1H
Puma Blanca 22/21 B2PM Fed Com #1H
Eddy County, New Mexico

Dear Working Interest Owner/Lessee of Record:

In preparation for completion of the above referenced wells, please find the enclosed Federal Communitization Agreements for your review and execution. I have provided extra signature and acknowledgement pages for your execution. The stapled agreements are your copies.

At your earliest convenience, please have three (3) sets of signature and acknowledgment pages executed for each agreement before mailing them back to my attention to the address on the letterhead above.

Please contact me at (432)-682-3715 or arodrigues@mewbourne.com if you have any questions or need additional information.

Very truly yours,

MEWBOURNE OIL COMPANY

Ariana Rodrigues
Landman

Enclosures

ATTACHMENT 



August 5, 2022


Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number: **9414 8368 9784 6615 0219 18.**

Item Details

Status:	Delivered, Individual Picked Up at Post Office
Status Date / Time:	August 5, 2022, 3:07 pm
Location:	ARTESIA, NM 88210
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic
Recipient Name:	Denton Oil Co

Recipient Signature

Signature of Recipient:	 GEORGE A. DENTON
Address of Recipient:	PO BOX 1252 ARTESIA, NM 88210

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,
United States Postal Service®
475 L'Enfant Plaza SW
Washington, D.C. 20260-0004

Denton Oil Co. P.O. Box 1252 Artesia, NM 88210 Reference #: Puma Blanca 21 22
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1/4

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 Retail
 3.0 OZ FLAT
 0901.000002423

Mewbourne Oil Company
 Ariana Rodrigues
 500 WEST TEXAS AVE
 STE 1020
 MIDLAND TX 79701

USPS CERTIFIED MAIL™



9414 8368 9784 6615 0330 34

Simple Certified Mail



ESTATE OF WILLIAM P. DOOLEY
 P.O. BOX G
 ARTESIA NM 88210

NIXIE 731 DE 1040 0008/26/22
 RETURN TO SENDER
 NO MAIL RECEIPTABLE



8/1/22, 2:44 PM

https://my.simplercertifiedmail.com/PrintLabel.aspx

1/1

US POSTAGE AND FEES PAID **easyPost.**
MAIL PERMIT NO. 79701
 2022-08-01
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 C4000004
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NIXIE 731 FE 1040 0008/06/22
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 UNABLE TO FORWARD
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USPS CERTIFIED MAIL™



9414 8368 9784 6615 2686 03



DOUGLAS L. CONE
 P.O. BOX 6217
 LUBBOCK TX 79413

Mewbourne Oil Company
 Ariana Rodrigues
 500 WEST TEXAS AVE
 STE 1020
 MIDLAND TX 79701

Simple Certified Mail

8/1/22, 3:18 PM

**Summary of Communications
Puma Blanca 22/21 B2PM Fed Com #1H**

Estate of William P Dooley

1. August 1, 2022: Communitization Agreement sent via certified mail but was never signed for.

Denton Oil Company

1. August 1, 2022: Communitization Agreement sent via certified mail. Proof of Delivery attached.

Douglas L Cone

1. August 1, 2022: Communitization Agreement sent via certified mail but was never signed for.

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

APPLICATION OF MEWBOURNE OIL
COMPANY TO RE-OPEN CASE NO. 22639
FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

Case No. 23298

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

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

Date: 1/29/23

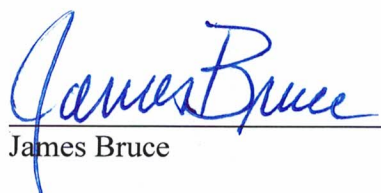

James Bruce

EXHIBIT 3

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

January 11, 2023

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

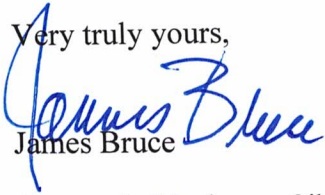
Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 23298) to re-open Case No. 22639, seeking an order pooling additional uncommitted mineral interest (Record Title) owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 22 and the S/2S/2 of Section 21, Township 18 South, Range 29 East, NMPM, for the purpose of obtaining approval of a communitization agreement from the Bureau of Land Management. The unit will be dedicated to the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H, a horizontal well with a first take point in the SE/4SE/4 of Section 22 and a last take point in the SW/4SW/4 of Section 21. The unit is located approximately 8-1/2 miles southwest of Loco Hills, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, February 2, 2023. During the current circumstances, state buildings are closed to the public and the hearing will be conducted remotely. To view the hearing docket and to determine how to participate in an electronic hearing, go to <https://www.emnrd.nm.gov/ocd/hearing-info/>, or contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@emnrd.nm.gov, 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.

ATTACHMENT

A

Very truly yours,



James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

Estate of William P. Dooley
P.O. Box G
Artesia, NM 88210

Denton Oil Company
P.O. Box 1252
Artesia, NM 88210

Douglas L. Cone
P.O. Box 6217
Lubbock, TX 79413

7022 1670 0002 1183 0770

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<input type="checkbox"/> Certified Mail Restricted Delivery \$		
<input type="checkbox"/> Adult Signature Required \$		
<input type="checkbox"/> Adult Signature Restricted Delivery \$		
Postage		
\$		
Total Postage and Fees		
\$		
Sent To	Estate of William P. Dooley P.O. Box G Artesia, NM 88210	
Street and Apt. No., or PO Box No.		
City, State, ZIP+4®		

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

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<input type="checkbox"/> Adult Signature Restricted Delivery \$		
Postage		
\$		
Total Postage and Fees		
\$		
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City, State, ZIP+4®		

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7022 1670 0002 1183 0763

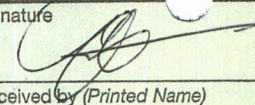

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<input type="checkbox"/> Return Receipt (hardcopy) \$		
<input type="checkbox"/> Return Receipt (electronic) \$		
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<input type="checkbox"/> Adult Signature Restricted Delivery \$		
Postage		
\$		
Total Postage and Fees		
\$		
Sent To	Douglas L. Cone P.O. Box 6217 Lubbock, TX 79413	
Street and Apt. No., or PO Box No.		
City, State, ZIP+4®		

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

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ 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. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X </p> <p>B. Received by (Printed Name) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> Denton Oil Company P.O. Box 1252 Artesia, NM 88210 </div>  <p style="text-align: center;">9590 9402 7543 2098 9620 90</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p> <p>3. Service Type <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Identification Number</p> <p style="font-size: 1.2em; text-align: center;">7022 1670 0002 1183 0756</p>	<p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053 M PS PM Domestic Return Receipt</p>	

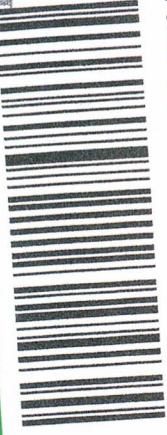


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I Support The ASPCA

James Bruce
PO Box 1056
Santa Fe, NM 87504

Douglas L. Cone
P.O. Box 6217
Lubbock, TX 79413

1516

9330020534751911

798750451717

Text of Ad: 01/20/2023

NOTICE

To: William P. Dooley, Kenneth G. Cone, Cathie Cone McCown, Douglas L. Cone, and Denton Oil Company, or your heirs, devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division (Case No. 23298) to re-open Case No. 22639, seeking an order pooling additional uncommitted mineral interest (Record Title) owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 22 and the S/2S/2 of Section 21, Township 18 South, Range 29 East, NMPM, for the purpose of obtaining approval of a communitization agreement from the Bureau of Land Management. The unit will be dedicated to the Puma Blanca 22/21 B2PM Fed. Com. Well No. 1H. Also to be considered will be the designation of applicant as operator of the well. This matter is scheduled for hearing at 8:15 a.m. on Thursday, February 16, 2023. During current conditions state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest 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. 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 these matters 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 8-1/2 miles southwest of Loco Hills, New Mexico. #5567532, Current Argus, January 24, 2023

EXHIBIT

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CASE NO. 23298

STATUS OF CERTIFIED NOTICE

<u>INTEREST OWNER</u>	<u>MAILING DATE</u>	<u>RECEIPT DATE</u>	<u>CARD RETURNED</u>
William P. Dooley Estate	January 11, 2023	Undelivered	No
Denton Oil Company	January 11, 2023	January 20, 2023	Yes
Douglas L. Cone	January 11, 2023	Undelivered	No

EXHIBIT

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