

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING APRIL 6, 2023**

**CASE NOS 23397-23398**

*PAPA GRANDE 22/21 W0AD FEE 1H WELL*

*PAPA GRANDE 22/21 W0HE FEE 1H WELL*

*PAPA GRANDE 22/21 W0IL FEE 1H WELL*

*PAPA GRANDE 22/21 W0PM FEE 1H WELL*

**EDDY COUNTY, NEW MEXICO**



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

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

**CASE NO. 23397 & 23398**

**TABLE OF CONTENTS**

- Compulsory Pooling Application Checklists
- Applications of Mewbourne Oil Company for Compulsory Pooling
- **Mewbourne Exhibit A:** Self-Affirmed Statement of Tyler Jolly, Landman
  - Mewbourne Exhibit A-1: Overlap Diagram
  - Mewbourne Exhibit A-2: Sample Overlap Notice Letter
  - Mewbourne Exhibit A-3: C-102s
  - Mewbourne Exhibit A-4: Tract Map & Uncommitted Working Interest Owners
  - Mewbourne Exhibit A-5: Sample Well Proposal Letters with AFE
  - Mewbourne Exhibit A-6: Chronology of Contacts
- **Mewbourne Exhibit B:** Self-Affirmed Statement of Tyler Hill, Geologist
  - Mewbourne Exhibit B-1: N/2 – Locator map / Subsea Structure & Cross-Section Map
  - Mewbourne Exhibit B-2: N/2 – Stratigraphic Cross-Section
  - Mewbourne Exhibit B-3: S/2 – Locator map / Subsea Structure & Cross-Section Map
  - Mewbourne Exhibit B-4: S/2 – Stratigraphic Cross-Section
- **Mewbourne Exhibit C:** Self-Affirmed Statement of Notice
- **Mewbourne Exhibit D:** Affidavit of Publication for the Case


# COMPULSORY POOLING APPLICATION CHECKLIST

## ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

<b>Case: 23397</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>April 6, 2023</b>
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Papa Grande
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Purple Sage Wolfcamp (gas) Pool [98220]
Well Location Setback Rules:	Special Pool Rules for Purple Sage Wolfcamp
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	320 acres
Orientation:	East-West
Description: TRS/County	N/2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
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-4
<b>Well(s)</b>	
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	<b>Papa Grande 22/21 W0AD FEE #1H well</b> <b>SHL: 2,440' FNL, 320' FEL (Unit H) of Section 22</b> <b>FTP: 400' FNL, 330' FEL (Unit A) of Section 22</b> <b>LTP: 400' FNL, 330' FWL (Unit D) of Section 21</b> <b>BHL: 400' FNL, 330' FWL (Unit D) of Section 21</b> <b>Target: Wolfcamp</b> <b>Orientation: East-West</b> <b>Completion: Standard</b>
Well #2	<b>Papa Grande 22/21 W0HE FEE #1H well</b> <b>SHL: 2,440' FNL, 350' FEL (Unit H) of Section 22</b> <b>FTP: 1,900' FNL, 330' FEL (Unit H) of Section 22</b> <b>LTP: 1,900' FNL, 330' FWL (Unit E) of Section 21</b> <b>BHL: 1,900' FNL, 330' FWL (Unit E) of Section 21</b> <b>Target: Wolfcamp</b> <b>Orientation: East-West</b> <b>Completion: Standard</b>
Horizontal Well First and Last Take Points	<b>Exhibit A-3</b>
Completion Target (Formation, TVD and MD)	<b>Exhibit A-5</b>
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	<b>\$8,000</b>
Production Supervision/Month \$	<b>\$800</b>
Justification for Supervision Costs	<b>Exhibit A</b>
Requested Risk Charge	<b>200%</b>
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	<b>See Application</b>
Proof of Mailed Notice of Hearing (20 days before hearing)	<b>Exhibit C</b>
Proof of Published Notice of Hearing (10 days before hearing)	<b>Exhibit D</b>
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	<b>Exhibit A-4</b>
Tract List (including lease numbers and owners)	<b>Exhibit A-4</b>
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	<b>N/A</b>
Pooled Parties (including ownership type)	<b>Exhibit A-4</b>
Unlocatable Parties to be Pooled	<b>No</b>
Ownership Depth Severance (including percentage above & below)	<b>N/A</b>
<b>Joinder</b>	
Sample Copy of Proposal Letter	<b>Exhibit A-5</b>
List of Interest Owners (ie Exhibit A of JOA)	<b>Exhibit A-4</b>
Chronology of Contact with Non-Joinded Working Interests	<b>Exhibit A-6</b>




Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, B-2
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
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
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Paula M. Vance
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	4/4/2023

# COMPULSORY POOLING APPLICATION CHECKLIST

## ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

<b>Case: 23398</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>April 6, 2023</b>
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company (OGRID No. 14744)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Papa Grande
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Purple Sage Wolfcamp (gas) Pool [98220]
Well Location Setback Rules:	Special Pool Rules for Purple Sage Wolfcamp
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	320 acres
Orientation:	East-West
Description: TRS/County	S/2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
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-4
<b>Well(s)</b>	
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	<b>Papa Grande 22/21 W0IL FEE #1H well</b> SHL: 2,440' FSL, 350' FEL (Unit I) of Section 22 FTP: 2,050' FSL, 330' FEL (Unit I) of Section 22 LTP: 2,050' FSL, 330' FWL (Unit L) of Section 21 BHL: 2,050' FSL, 330' FWL (Unit L) of Section 21 Target: Wolfcamp Orientation: East-West Completion: Standard
Well #2	<b>Papa Grande 22/21 W0PM FEE #1H well</b> SHL: 2,440' FSL, 320' FEL (Unit I) of Section 22 FTP: 660' FSL, 330' FEL (Unit P) of Section 22 LTP: 660' FSL, 330' FWL (Unit M) of Section 21 BHL: 660' FSL, 330' FWL (Unit M) of Section 21 Target: Wolfcamp Orientation: East-West Completion: Standard
Horizontal Well First and Last Take Points	<b>Exhibit A-3</b>
Completion Target (Formation, TVD and MD)	<b>Exhibit A-5</b>
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	<b>\$8,000</b>
Production Supervision/Month \$	<b>\$800</b>
Justification for Supervision Costs	<b>Exhibit A</b>
Requested Risk Charge	<b>200%</b>
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	<b>See Application</b>
Proof of Mailed Notice of Hearing (20 days before hearing)	<b>Exhibit C</b>
Proof of Published Notice of Hearing (10 days before hearing)	<b>Exhibit D</b>
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	<b>Exhibit A-4</b>
Tract List (including lease numbers and owners)	<b>Exhibit A-4</b>
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	<b>N/A</b>
Pooled Parties (including ownership type)	<b>Exhibit A-4</b>
Unlocatable Parties to be Pooled	<b>No</b>
Ownership Depth Severance (including percentage above & below)	<b>N/A</b>
<b>Joinder</b>	
Sample Copy of Proposal Letter	<b>Exhibit A-5</b>
List of Interest Owners (ie Exhibit A of JOA)	<b>Exhibit A-4</b>
Chronology of Contact with Non-Joinded Working Interests	<b>Exhibit A-6</b>

Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-3
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, B-4
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-3
Well Bore Location Map	Exhibit B-3
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Paula M. Vance
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	4/4/2023

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

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

**CASE NO. 23397**

**APPLICATION**

Mewbourne Oil Company (“Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. In support Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the proposed spacing unit to the following proposed wells:
  - **Papa Grande 22/21 WOAD Fee 1H**, with a first take point in the NE4NE4 (Unit A) of Section 22 and a last take point in the NW4NW4 (Unit D) of Section 21.
  - **Papa Grande 22/21 W0HE Fee 1H**, with a first take point in the SE4NE4 (Unit H) of Section 22 and a last take point in the SW4NW4 (Unit E) of Section 21.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. Approval of this application will allow the efficient recovery of the oil and gas reserves underlying the subject lands, and is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 6, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. 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
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Paula M. Vance

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mhfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

pmvance@hollandhart.com

**ATTORNEYS FOR MEWBOURNE OIL  
COMPANY**

**Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be initially dedicated to the following proposed wells:

- **Papa Grande 22/21 WOAD Fee 1H**, with a first take point in the NE4NE4 (Unit A) of Section 22 and a last take point in the NW4NW4 (Unit D) of Section 21.
- **Papa Grande 22/21 W0HE Fee 1H**, with a first take point in the SE4NE4 (Unit H) of Section 22 and a last take point in the SW4NW4 (Unit E) of Section 21.

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1 mile south of Carlsbad, New Mexico.



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

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

**CASE NO. 23398**

**APPLICATION**

Mewbourne Oil Company (“Applicant”) (OGRID No. 14744), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the S2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. In support Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the proposed spacing unit to the following proposed wells:
  - **Papa Grande 22/21 WOIL Fee 1H**, with a first take point in the NE4SE4 (Unit I) of Section 22 and a last take point in the NW4SW4 (Unit L) of Section 21.
  - **Papa Grande 22/21 WOPM Fee 1H**, with a first take point in the SE4SE4 (Unit P) of Section 22 and a last take point in the SW4SW4 (Unit M) of Section 21.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.
4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. Approval of this application will allow the efficient recovery of the oil and gas reserves underlying the subject lands, and is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 6, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. 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
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Paula M. Vance

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mhfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

pmvance@hollandhart.com

**ATTORNEYS FOR MEWBOURNE OIL  
COMPANY**

**Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the S2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be initially dedicated to the following proposed wells:

- **Papa Grande 22/21 WOIL Fee 1H**, with a first take point in the NE4SE4 (Unit I) of Section 22 and a last take point in the NW4SW4 (Unit L) of Section 21.
- **Papa Grande 22/21 WOPM Fee 1H**, with a first take point in the SE4SE4 (Unit P) of Section 22 and a last take point in the SW4SW4 (Unit M) of Section 21.

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1 mile south of Carlsbad, New Mexico.

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

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

**CASE NOS. 23397 & 23398**

**SELF-AFFIRMED STATEMENT OF TYLER JOLLY**

1. My name is Tyler Jolly, and I am employed by Mewbourne Oil Company (“Mewbourne”), as a Landman. I am familiar with the applications filed in these cases and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. In these cases, Mewbourne seeks an order pooling all uncommitted interests in the Purple Sage Wolfcamp (gas) Pool [Pool Code 98220] underlying the referenced acreage all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 23397**, Mewbourne seeks to pool a standard 640-acre, more or less, horizontal well spacing unit comprised of the N/2 of Sections 22 and 21. Mewbourne proposes to dedicate the above-referenced spacing unit to the proposed initial **Papa Grande 22/21 W0AD Fee 1H** well, to be horizontally drilled with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the NW/4 NW/4 (Unit D) of Section 21; and the **Papa Grande 22/21 W0HE Fee 1H** well, to be horizontally drilled with a first take point in the SE/4 NE/4 (Unit H) of Section 22 and a last take point in the SW/4 NW/4 (Unit E) of Section 21.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Mewbourne Oil Company  
Hearing Date: April 6, 2023  
Case Nos. 23397 & 23398**

- Under **Case No. 23398**, Mewbourne seeks to pool a standard 640-acre, more or less, horizontal well spacing unit comprised of the S/2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Mewbourne proposes to dedicate the above-referenced spacing unit to the proposed initial **Papa Grande 22/21 W0IL Fee 1H** well, to be horizontally drilled with a first take point in the NE/4 SE/4 (Unit I) of Section 22 and a last take point in the NW/4 SW/4 (Unit L) of Section 21; and the **Papa Grande 22/21 W0PM Fee 1H** well, to be horizontally drilled with a first take point in the SE/4 SE/4 (Unit P) of Section 22 and a last take point in the SW/4 SW/4 (Unit M) of Section 21.

4. These 640-acre horizontal well spacing units will overlap the following existing vertical well spacing unit covering portions of the subject acreage:

- 320-acre, more or less, vertical well spacing unit comprised of the W/2 of Section 22, Township 22 South, Range 27 East, dedicated to the Grandi #001 well (API: 30-015-24205).

5. Fulfer Oil & Cattle LLC is the designated operator of the above-referenced existing vertical well spacing unit. The proposed spacing unit will have a completed interval located within a portion of the existing vertical well spacing unit, among other acreage.

6. **Mewbourne Exhibit A-1** is a map showing the overlapping spacing units.

7. **Mewbourne Exhibit A-2** contains a sample copy of the revised notice that Mewbourne sent to the working interest owners in the existing spacing unit for the Grandi #001 well and the proposed spacing unit in Mewbourne's current application.

8. **Mewbourne Exhibit A-3** contains draft Form C-102's for the initial wells in the horizontal spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for horizontal gas wells.

9. **Mewbourne Exhibit A-4** identifies the tracts of land comprising the proposed horizontal spacing units. This exhibit also identifies the working interest owners that Mewbourne is seeking to pool. The subject acreage is comprised of fee acreage.

10. There are no depth severances within the Wolfcamp formation underlying this acreage.

11. **Mewbourne Exhibit A-5** contains a sample of the well proposal letters and AFEs sent to the working interest owners that Mewbourne is seeking to pool. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in this formation.

12. **Mewbourne Exhibit A-6** contains a general summary of the contacts with the uncommitted working interest owners that Mewbourne seeks to pool. As shown in Exhibit C-6, Mewbourne has located and had discussions with these uncommitted working interest owners regarding these applications.

13. Mewbourne requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

14. Mewbourne has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Mewbourne seeks to pool and instructed that they be notified of this hearing.

15. **Mewbourne Exhibits A-1 through A-6** were either prepared by me or compiled under my direction and supervision.

16. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in these cases. This statement is made on the date next to my signature below.



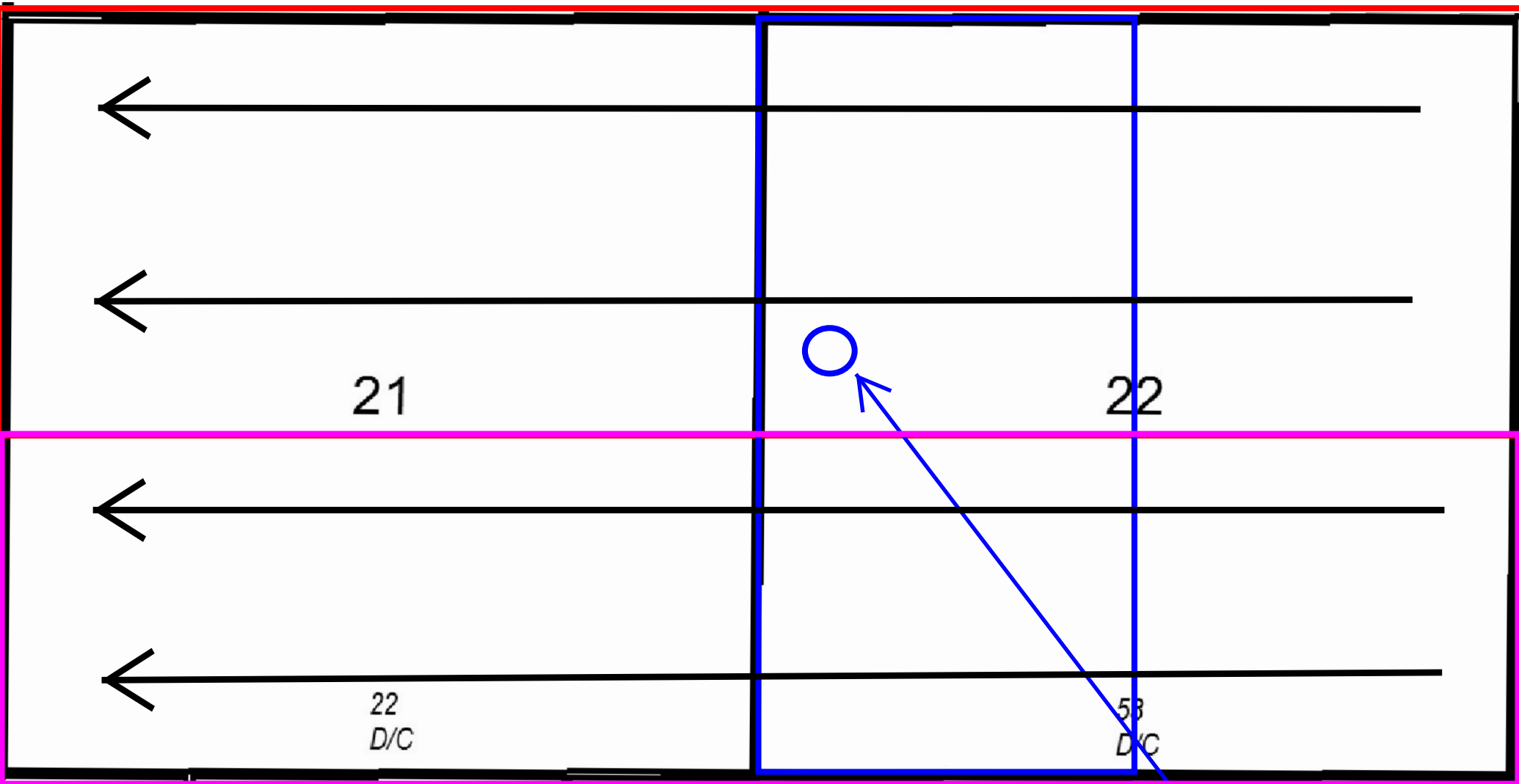
---

Tyler Jolly

Date: March 29, 2023



**PAPA GRANDE 22-21 W0AD FEE #1H**  
**PAPA GRANDE 22-21 W0HE FEE #1H**  
**N2 of Sec. 22 and N2 of Sec. 21, T22S, R27E**



**PAPA GRANDE 22-21 W0IL FEE #1H**  
**APA GRANDE 22-21 W0PM FEE #1H**  
**S2 of Sec. 22 and S2 of Sec. 21, T22S, R27E**

Grandi #001  
30-015-24205  
Spacing Unit - W2 Sec.  
22, T22S, R27E

## MEWBOURNE OIL COMPANY

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

March 30, 2023

Certified Mail

Alpha Energy Partners, LLC  
P.O. Box 10701  
Midland, Texas 78702

Re: Amended Notice of Overlapping Spacing  
Purple Sage; Wolfcamp (gas) Pool Code 98220  
Papa Grande 22-21 W0AD Fee #1H – API #Pending  
Papa Grande 22-21 W0HE Fee #1H – API #Pending  
Papa Grande 22-21 W0IL Fee #1H – API # 30-015-50175  
Papa Grande 22-21 W0PM Fee #1H – API # 30-015-50176  
Sections 22 and 21, Township 22 South,  
Range 27 East, Eddy County, New Mexico

To Whom It May Concern:

Mewbourne Oil Company has proposed the above referenced wells for the development of the Wolfcamp formation underlying the below described 640-acre spacing units. This letter is to advise you that this proposed development plan will require the formation of the following spacing units for the proposed wells:

- 1) Papa Grande 22-21 W0AD Fee #1H – API #Pending  
Surface Location: 2440' FNL, 320' FEL, Section 22, T22S, R27E  
Bottom Hole Location: 400' FNL, 330' FWL, Section 21, T22S, R27E  
Proposed Total Vertical Depth: 8850'  
Proposed Total Measured Depth: 19360'  
Target: Wolfcamp Sand  
Spacing Unit: N2 of Section 22 and N2 of Section 21  
Township 22 South, Range 27 East, Eddy County, New Mexico
- 2) Papa Grande 22-21 W0HE Fee #1H – API #Pending  
Surface Location: 2440' FNL, 350' FEL, Section 22, T22S, R27E  
Bottom Hole Location: 1900' FNL, 330' FWL, Section 21, T22S, R27E  
Proposed Total Vertical Depth: 8890'  
Proposed Total Measured Depth: 19300'  
Target: Wolfcamp Sand  
Spacing Unit: N2 of Section 22 and N2 of Section 21  
Township 22 South, Range 27 East, Eddy County, New Mexico

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A2  
Submitted by: Mewbourne Oil Company  
Hearing Date: April 6, 2023  
Case Nos. 23397 & 23398

- 3) Papa Grande 22-21 W0IL Fee #1H – API # 30-015-50175  
Surface Location: 2440' FSL, 380' FEL, Section 22, T22S, R27E  
Bottom Hole Location: 2050' FSL, 330' FWL, Section 21, T22S, R27E  
Proposed Total Vertical Depth: 9013'  
Proposed Total Measured Depth: 19039'  
Target: Wolfcamp Sand  
Spacing Unit: S2 of Section 22 and S2 of Section 21  
Township 22 South, Range 27 East, Eddy County, New Mexico
- 4) Papa Grande 22-21 W0PM Fee #1H – API # 30-015-50176  
Surface Location: 2440' FSL, 360' FEL, Section 22, T22S, R27E  
Bottom Hole Location: 660' FSL, 330' FWL, Section 21, T22S, R27E  
Proposed Total Vertical Depth: 9012'  
Proposed Total Measured Depth: 19232'  
Target: Wolfcamp Sand  
Spacing Unit: S2 of Section 22 and S2 of Section 21  
Township 22 South, Range 27 East, Eddy County, New Mexico

The proposed spacing units will overlap the following existing 320-acre spacing unit and well:

- 1) Grandi #001 – API #30-015-24205  
Operator: Fulfer Oil & Cattle LLC  
Surface Location: 1980' FNL, 660' FWL, Section 22, T22S, R27E  
Total Vertical Depth: 12030'  
Plug Back Depth: 9665'  
Producing Formation: Wolfcamp  
Spacing Unit: W2 of Section 22, T22S, R27E, Eddy County, New Mexico

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object to these overlapping spacing units by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing unit.

If you have any questions about this matter, please contact me at (432) 682-3715 or at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com).

Very truly yours,

**MEWBOURNE OIL COMPANY**



Tyler Jolly  
Landman

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>PENDING</b>	<sup>2</sup> Pool Code <b>98220</b>	<sup>3</sup> Pool Name <b>PURPLE SAGE WOLFCAMP GAS POOL</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>PAPA GRANDE 22/21 WOAD FEE</b>	<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>	<sup>9</sup> Elevation <b>3100'</b>

<sup>10</sup> Surface Location

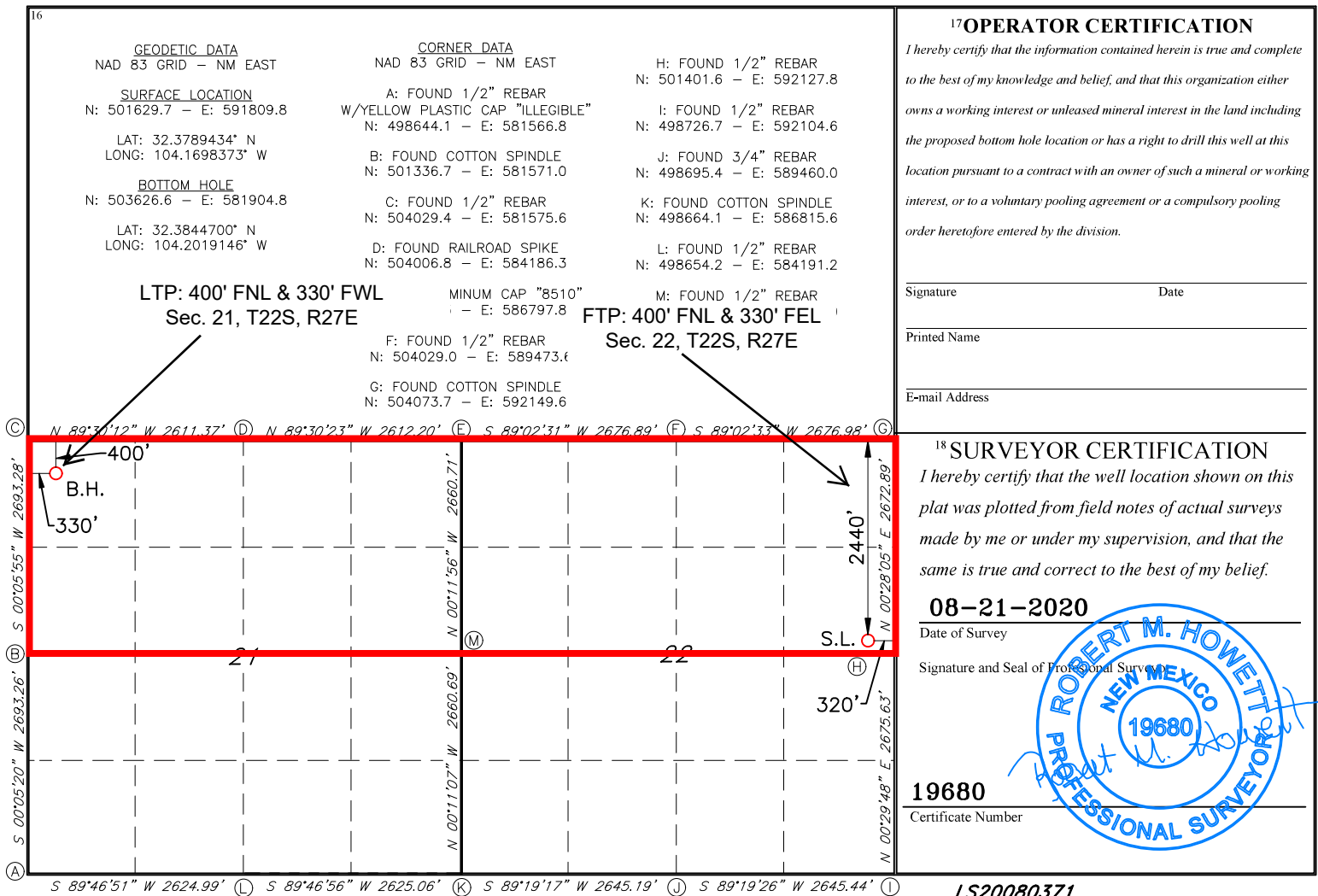
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>22</b>	<b>22S</b>	<b>27E</b>		<b>2440</b>	<b>NORTH</b>	<b>320</b>	<b>EAST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>21</b>	<b>22S</b>	<b>27E</b>		<b>400</b>	<b>NORTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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 LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code <b>98220</b>	<sup>3</sup> Pool Name <b>PURPLE SAGE WOLFCAMP GAS POOL</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>PAPA GRANDE 22/21 WOHE FEE</b>	<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>	<sup>9</sup> Elevation <b>3100'</b>

<sup>10</sup> Surface Location

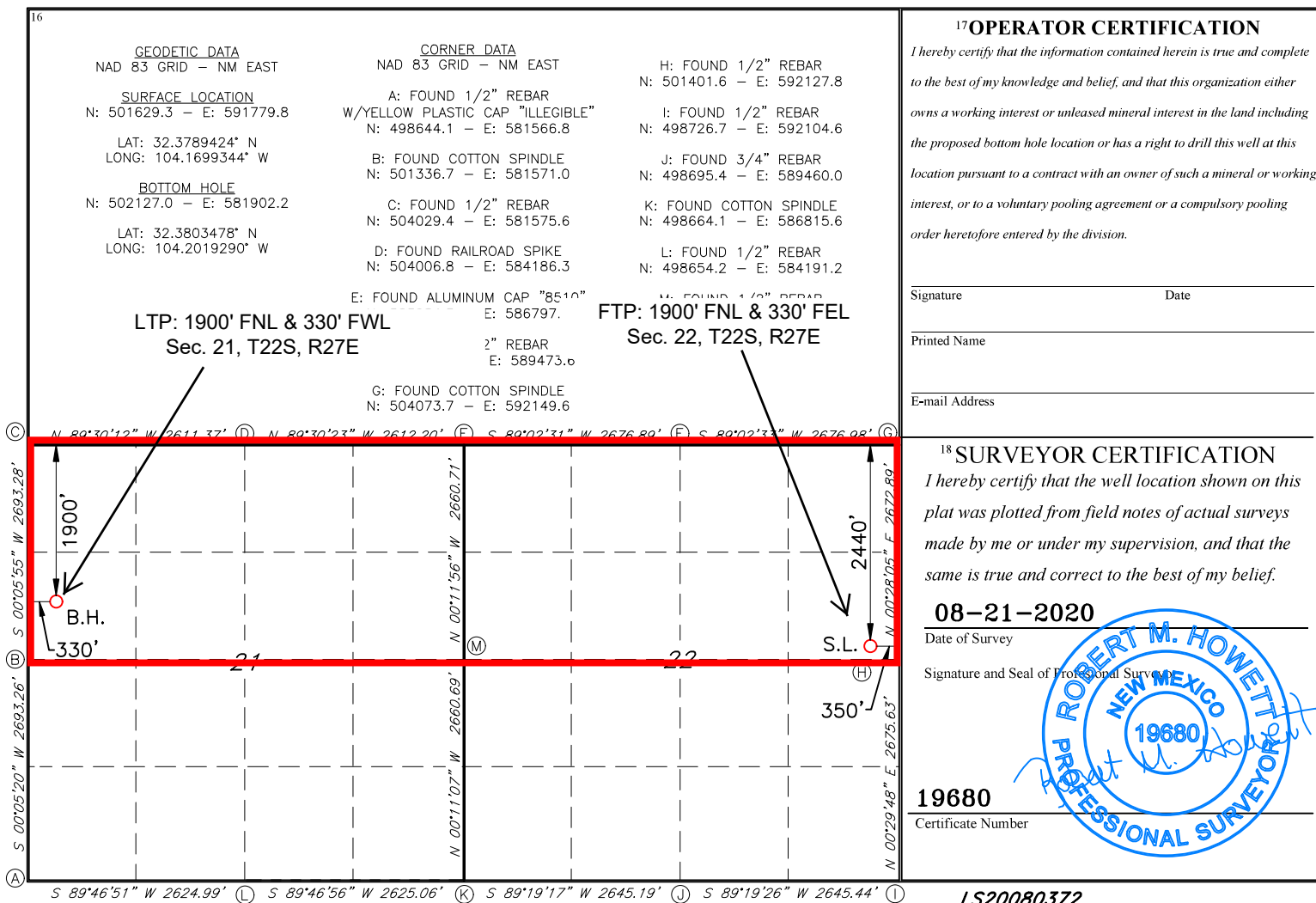
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>22</b>	<b>22S</b>	<b>27E</b>		<b>2440</b>	<b>NORTH</b>	<b>350</b>	<b>EAST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>E</b>	<b>21</b>	<b>22S</b>	<b>27E</b>		<b>1900</b>	<b>NORTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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 LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-50175</b>		<sup>2</sup> Pool Code <b>98220</b>	<sup>3</sup> Pool Name <b>PURPLE SAGE WOLFCAMP GAS POOL</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>PAPA GRANDE 22/21 WOIL FEE</b>		<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>		<sup>9</sup> Elevation <b>3105'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>I</b>	<b>22</b>	<b>22S</b>	<b>27E</b>		<b>2440</b>	<b>SOUTH</b>	<b>350</b>	<b>EAST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>L</b>	<b>21</b>	<b>22S</b>	<b>27E</b>		<b>2050</b>	<b>SOUTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>

12 Dedicated Acres <b>640</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
----------------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16		<b>17 OPERATOR CERTIFICATION</b>	
<p><u>GEODETTIC DATA</u></p> <p>NAD 83 GRID — NM EAST</p> <p><u>SURFACE LOCATION</u></p> <p>N: 501161.9 — E: 591775.8</p> <p>LAT: 32.3776574° N LONG: 104.1699498° W</p> <p><u>BOTTOM HOLE</u></p> <p>N: 500694.9 — E: 581899.9</p> <p>LAT: 32.3764112° N LONG: 104.2019423° W</p>	<p><u>CORNER DATA</u></p> <p>NAD 83 GRID — NM EAST</p> <p>A: FOUND 1/2" REBAR W/YELLOW PLASTIC CAP "ILLEGIBLE" N: 498644.1 — E: 581566.8</p> <p>B: FOUND COTTON SPINDLE N: 501336.7 — E: 581571.0</p> <p>C: FOUND 1/2" REBAR N: 504029.4 — E: 581575.6</p> <p>D: FOUND RAILROAD SPIKE N: 504006.8 — E: 584186.3</p> <p>E: FOUND ALUMINUM CAP "8510" N: 503984.3 — E: 586797.8</p> <p>F: FOUND 1/2" REBAR N: 504029.0 — E: 589473.6</p> <p>G: FOUND COTTON SPINDLE N: 504073.7 — E: 592149.6</p>	<p>H: FOUND 1/2" REBAR N: 501401.6 — E: 592127.8</p> <p>I: FOUND 1/2" REBAR N: 498726.7 — E: 592104.6</p> <p>J: FOUND 3/4" REBAR N: 498695.4 — E: 589460.0</p> <p>K: FOUND COTTON SPINDLE N: 498664.1 — E: 586815.6</p> <p>L: FOUND 1/2" REBAR N: 498654.2 — E: 584191.2</p> <p>M: FOUND 1/2" REBAR N: 501324.2 — E: 586807.0</p>	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <hr/> <p>Signature _____ Date _____</p> <hr/> <p>Printed Name _____</p> <hr/> <p>E-mail Address _____</p>
<p>(C) N 89°30'12" W 2611.37' (D) N 89°30'23" W 2612.20' (E) S 89°02'31" W 2676.89' (F) S 89°02'33" W 2676.98' (G)</p>		<p><b>18 SURVEYOR CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <hr/> <p><b>08-21-2020</b></p> <p>Date of Survey _____</p> <hr/> <p>Signature and Seal of Professional Surveyor _____</p> <div style="position: relative; height: 150px;"> <span style="position: absolute; top: -50px; left: 50px; font-size: 2em; color: blue;">PROFESSIONAL SURVEYOR</span> <span style="position: absolute; top: 0; left: 0; color: blue;">ROBERT M. HOWETT JR.</span> <span style="position: absolute; top: 0; right: 0; color: blue;">NEW MEXICO</span> <span style="position: absolute; top: 50px; left: 50px; color: blue;">19680</span> </div> <hr/> <p><b>19680</b></p> <p>Certificate Number _____</p>	



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-50176</b>	<sup>2</sup> Pool Code <b>98220</b>	<sup>3</sup> Pool Name <b>PURPLE SAGE WOLFCAMP GAS POOL</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>PAPA GRANDE 22/21 WOPM FEE</b>	<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID NO. <b>14744</b>	<sup>8</sup> Operator Name <b>MEWBOURNE OIL COMPANY</b>	<sup>9</sup> Elevation <b>3104'</b>

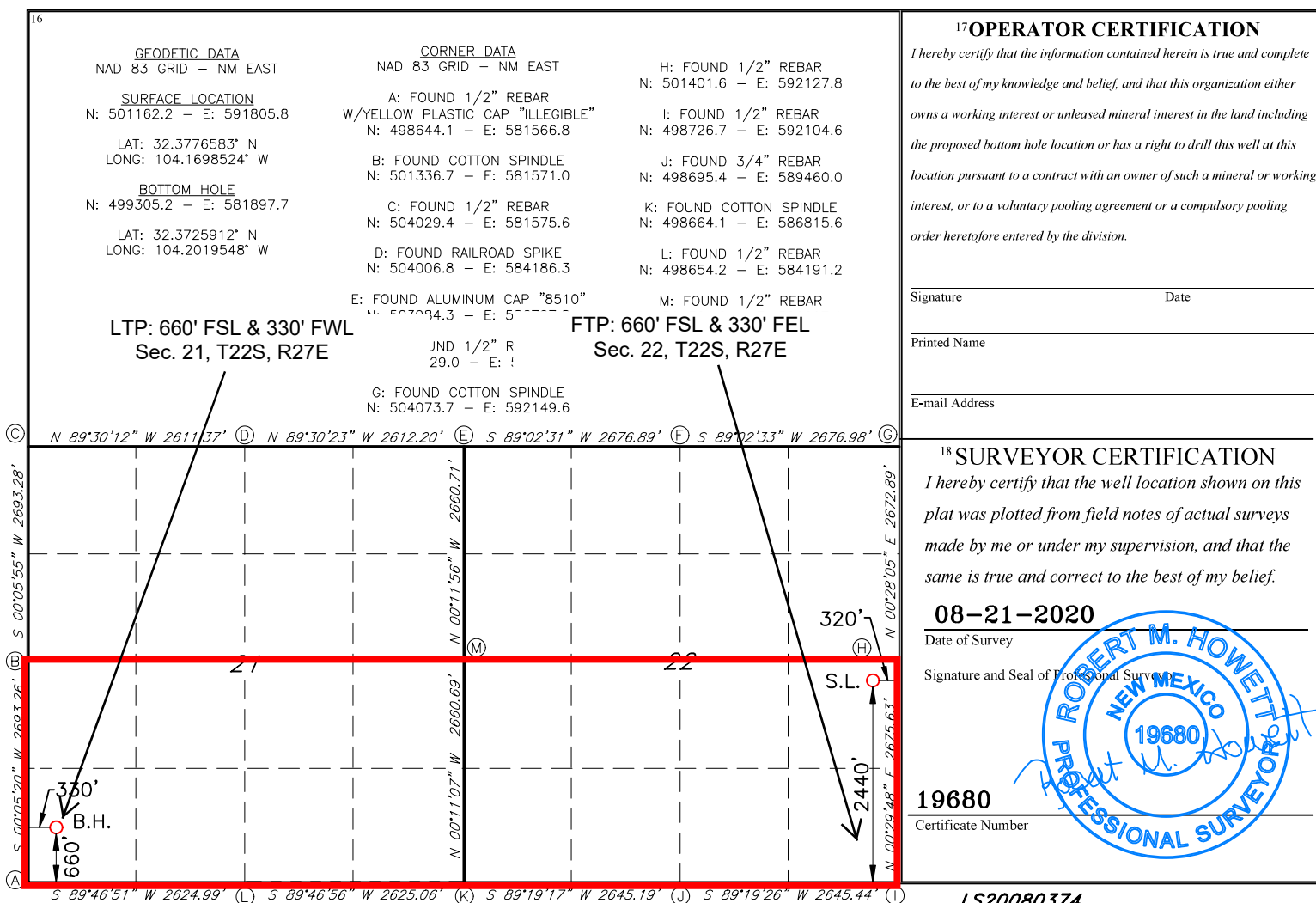
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>I</b>	<b>22</b>	<b>22S</b>	<b>27E</b>		<b>2440</b>	<b>SOUTH</b>	<b>320</b>	<b>EAST</b>	<b>EDDY</b>

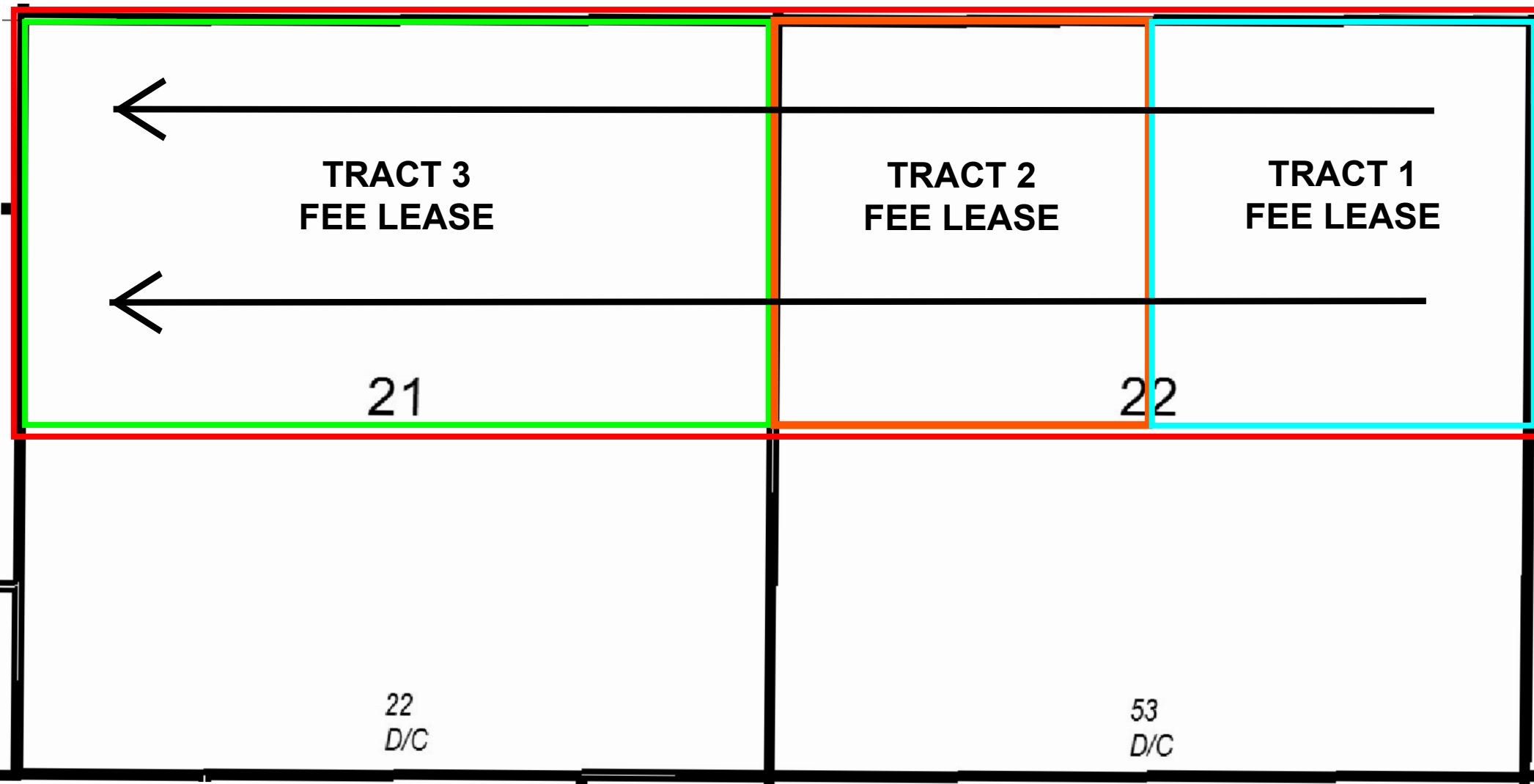
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>21</b>	<b>22S</b>	<b>27E</b>		<b>660</b>	<b>SOUTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>
<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



**PAPA GRANDE 22-21 W0AD FEE #1H**  
**PAPA GRANDE 22-21 W0HE FEE #1H**



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A4  
Submitted by: Mewbourne Oil Company  
Hearing Date: April 6, 2023  
Case Nos. 23397 & 23398



**Tract 1: NE4 of Section 22, T22S, R27E**

Mewbourne Oil Company, et al.

**Tract 2: NW4 of Section 22, T22S, R27E**

Mewbourne Oil Company

**Tract 3: N2 of Section 21, T22S, R27E**

MRC Permian Company

**RECAPITULATION****PAPA GRANDE 22-21 W0AD FEE #1H****PAPA GRANDE 22-21 W0HE FEE #1H**

Tract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	160	25.000000%
2	160	25.000000%
3	320	50.000000%
<b>TOTAL</b>	<b>640</b>	<b>100.000000%</b>

**Ownership by Tract****Papa Grande 22-21 W0AD Fee #1H****Papa Grande 22-21 W0HE Fee #1H**

<b>Tract 1: NE4 of Section 22, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
Mewbourne Oil Company, et al.	100.000000000000%
<b>Total</b>	<b>100.00000000%</b>

<b>Tract 2: NW4 of Section 22, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
Mewbourne Oil Company	100.00000000%
<b>Total</b>	<b>100.00000000%</b>

<b>Tract 3: N2 of Section 21, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
MRC Permian Company	100.00000000%
<b>Total</b>	<b>100.00000000%</b>

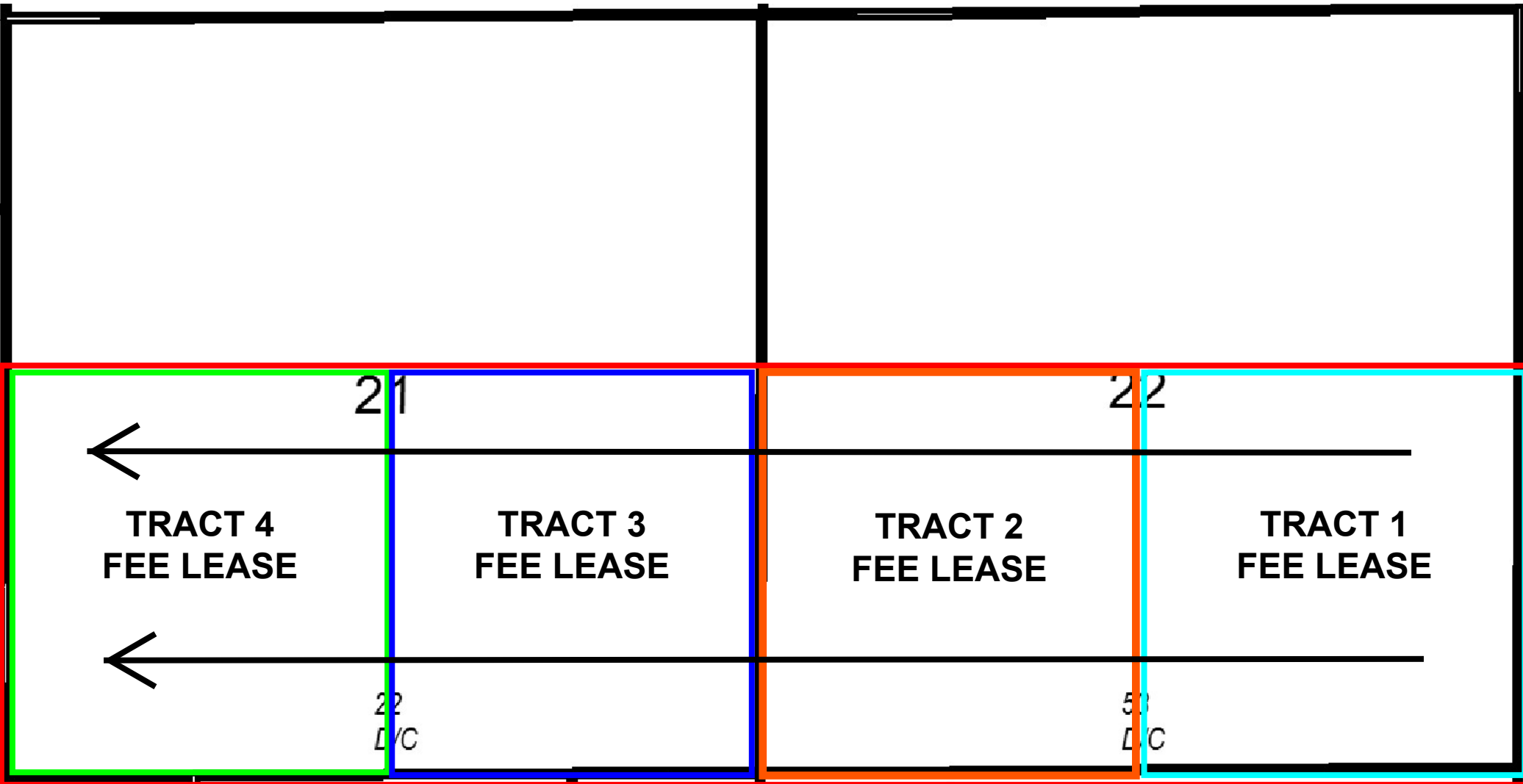
**Spacing Unit Ownership**

<b>Papa Grande 22-21 W0AD Fee #1H</b>	
<b>Papa Grande 22-21 W0HE Fee #1H</b>	<b>Interest</b>
Mewbourne Oil Company, et al.	50.00000000%
MRC Delaware Resources, LLC	50.00000000%
<b>Total</b>	<b>100.00000000%</b>

Parties in Red are being pooled -	50.00000000%
-----------------------------------	--------------

**PAPA GRANDE 22-21 W0IL FEE #1H**  
**PAPA GRANDE 22-21 W0PM FEE #1H**



**Tract 1: SE4 of Section 22, T22S, R27E**

Mewbourne Oil Company, et al.

MRC Delaware Resources, LLC

**Tract 3: SE4 of Section 21, T22S, R27E**

Mewbourne Oil Company, et al

WPX Energy Permian, LLC

State Highway Commission of New Mexico

**Tract 2: SW4 of Section 22, T22S, R27E**

Mewbourne Oil Company

**Tract 4: SW4 of Section 22, T22S, R27E**

WPX Energy Permian, LLC

**RECAPITULATION****PAPA GRANDE 22-21 W0IL FEE #1H****PAPA GRANDE 22-21 W0PM FEE #1H**

<b>Tract Number</b>	<b>Number of Acres Committeed</b>	<b>Percentage of Interst in Communitized Area</b>
1	160	25.000000%
2	160	25.000000%
3	160	25.000000%
4	160	25.000000%
<b>TOTAL</b>	<b>640</b>	<b>100.000000%</b>

**Ownership by Tract****Papa Grande 22-21 W0IL Fee #1H****Papa Grande 22-21 W0PM Fee #1H**

<b>Tract 1: SE4 of Section 22, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
Mewbourne Oil Company, et al.	75.000000000000%
MRC Delaware Resources, LLC	25.000000000000%
<b>Total</b>	<b>100.00000000%</b>

<b>Tract 2: SW4 of Section 22, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
Mewbourne Oil Company	100.00000000%
<b>Total</b>	<b>100.00000000%</b>

<b>Tract 3: SE4 of Section 21, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
Mewbourne Oil Company	45.1108800%
WPX Energy Permian, LLC	53.131300%
State Highway Commission of New Mexico	1.757820%
<b>Total</b>	<b>100.0000000%</b>

<b>Tract 4: SW4 of Section 22, T22S, R27E</b>	
<b>Entity/Individual</b>	<b>Interest</b>
WPX Energy Permian, LLC	100.0000000%
<b>Total</b>	<b>100.0000000%</b>

## Spacing Unit Ownership

Papa Grande 22-21 W0IL Fee #1H Papa Grande 22-21 W0PM Fee #1H	Interest
Mewbourne Oil Company, et al.	55.5396480%
WPX Energy Permian, LLC	38.0306640%
MRC Delaware Resources, LLC	6.2500000%
State Highway Commission of New Mexico	0.1796880%
<b>Total</b>	<b>100.0000000%</b>

Parties in Red are being pooled -	44.4603520%
-----------------------------------	-------------

**MEWBOURNE OIL COMPANY**

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

January 12, 2023

**Certified Mail**

WPX Energy Permian, LLC  
333 West Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Attn: Jake Nourse

Re: Papa Grande 22-21 Working Interest Unit  
Section 22 and Section 21, T22S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("MOC"), as Operator, hereby proposes creating a working interest unit comprising of Section 22 and Section 21, T22S, R27E, Eddy County, New Mexico. As part of the initial development, MOC also proposes drilling the following wells:

- 1) Papa Grande 22-21 W0AD Fee #1H – APD #pending  
Surface Location: 2440' FNL, 320' FEL, Section 22  
Bottom Hole Location: 400' FNL, 330' FWL, Section 21  
Proposed Total Vertical Depth: 8850'  
Proposed Total Measured Depth: 19360'  
Target: Wolfcamp Sand
- 2) Papa Grande 22-21 W0HE Fee #1H – APD #pending  
Surface Location: 2440' FNL, 350' FEL, Section 22  
Bottom Hole Location: 1900' FNL, 330' FWL, Section 21  
Proposed Total Vertical Depth: 8890'  
Proposed Total Measured Depth: 19300'  
Target: Wolfcamp Sand
- 3) Papa Grande 22-21 W0IL Fee #1H – APD #30-015-50175  
Surface Location: 2440' FSL, 350' FEL, Section 22  
Bottom Hole Location: 2050' FSL, 330' FWL, Section 21  
Proposed Total Vertical Depth: 9013'  
Proposed Total Measured Depth: 19039'  
Target: Wolfcamp Sand



- 4) Papa Grande 22-21 W0PM Fee #1H – APD #30-015-50176  
Surface Location: 2440' FSL, 320' FEL, Section 22  
Bottom Hole Location: 660' FSL, 330' FWL, Section 21  
Proposed Total Vertical Depth: 9012'  
Proposed Total Measured Depth: 19232'  
Formation: Wolfcamp Sand

The wells are planned to be pad drilled with the first well tentatively planned to spud 1<sup>st</sup> quarter of 2023 depending on rig availability. In the event you elect to participate in the above referenced wells, please execute the enclosed Operating Agreement and AFEs before returning them to the undersigned within thirty (30) days. Please enclose your most current well information requirements so that we may supply well data when available.

Please contact me at (432) 682-3715 or via email at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com) if you have any questions.

Very truly yours,

**MEWBOURNE OIL COMPANY**



Tyler Jolly  
Landman

Enclosures



## Proof of Acceptance (Electronic)

Date: 2/7/2023

Client Name: Mewbourne Oil Company

Certified with RR(E) item number 9402836104262307104684,  
addressed to Jake Nourse

Accepted at USPS Regional Facility-January 12, 2023, 5:41 pm,  
MIDLAND TX DISTRIBUTION CENTER,

The item number, time, date, city, state, and zip code is a true extract of  
information provided by the United States Postal Service to  
SimpleCertifiedMail.com.

Jake Nourse  
WPX Energy Permian LLC  
333 West Sheridan Ave.  
Oklahoma City, OK 73102  
Reference #: Papa Grande  
Group Name: MIDLAND OFFICE

The above information is for the sole use of SimpleCertifiedMail.com  
clients and represents information provided by the United States Postal  
Service.

MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE

Well Name: PAPA GRANDE 22/21 W0AD FEE #1H		Prospect: PAPA GRANDE	
Location: SL: 2440 FNL & 320 FEL (22); BHL: 400 FNL & 330 FWL (21)		County: Eddy	ST: NM
Sec. 22	Blk:	Survey:	TWP: 22S RNG: 27E Prop. TVD: 8850 TMD: 19360

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$50,000
Daywork / Turnkey / Footage Drilling	20 days drlg / 3 days comp @ \$29000/d	0180-0110	\$619,400	0180-0210	\$92,900
Fuel	1700 gal/day @ \$3.9/gal	0180-0114	\$141,600	0180-0214	\$390,000
Alternate Fuels		0180-0115		0180-0215	\$118,000
Mud, Chemical & Additives		0180-0120	\$45,000	0180-0220	
Mud - Specialized		0180-0121	\$160,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$40,000
Cementing		0180-0125	\$130,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$25,000	0180-0230	\$576,000
Casing / Tubing / Snubbing Services		0180-0134	\$30,000	0180-0234	\$12,000
Mud Logging		0180-0137	\$15,000		
Stimulation		79 Stg 24.8 MM gal / 24.8 MM lb		0180-0241	\$3,202,000
Stimulation Rentals & Other				0180-0242	\$315,000
Water & Other	20% PW f/ Aris @ \$0.32/bbl & 80% FW f/ Mesq	0180-0145	\$35,000	0180-0245	\$415,000
Bits		0180-0148	\$70,500	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$154,000		
Transportation		0180-0165	\$30,000	0180-0265	\$50,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$150,000	0180-0270	\$81,000
Directional Services	Includes Vertical Control	0180-0175	\$289,000		
Equipment Rental		0180-0180	\$149,500	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,900	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$50,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$90,000	0180-0295	\$39,600
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	5% (TCP) 5% (CC)	0180-0199	\$128,600	0180-0299	\$289,800
TOTAL			\$2,701,500		\$6,086,800

TANGIBLE COSTS 0181					
Casing (19.1" – 30")		0181-0793			
Casing (10.1" – 19.0")	700' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$57,000		
Casing (8.1" – 10.0")	1940' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft	0181-0795	\$126,000		
Casing (6.1" – 8.0")	8590' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$548,900		
Casing (4.1" – 6.0")	10730' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$383,600
Tubing	8350' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13.6/ft			0181-0798	\$121,300
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools		Completion Liner Hanger		0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps	(1/2) TP/CP/Circ pump			0181-0886	\$16,000
Storage Tanks	(1/2) 4 OT / 3 WT / 1 GB			0181-0890	\$142,000
Emissions Control Equipment	(1/2) 2 VRT / VRU / Flare / 3 KO / 1 AIR			0181-0892	\$138,000
Separation / Treating Equipment	(1/2) 2 H sep / 1 V sep / 2 VHT			0181-0895	\$99,000
Automation Metering Equipment				0181-0898	\$90,000
Oil/Gas Pipeline-Pipe/Valves&Misc (1/2) Gas Line & GL Injection				0181-0900	\$31,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$7,500
On-site Valves/Fittings/Lines&Misc				0181-0906	\$165,000
Wellhead Flowlines - Construction				0181-0907	\$38,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$143,000
Equipment Installation				0181-0910	\$100,000
Oil/Gas Pipeline - Construction	(1/2) Gas Line			0181-0920	\$13,000
Water Pipeline - Construction	(1/2) SWDL			0181-0921	\$8,000
TOTAL			\$781,900		\$1,625,400
SUBTOTAL			\$3,483,400		\$7,712,200
TOTAL WELL COST			\$11,195,600		

☐

I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐

I elect to purchase my own well control insurance policy.  
If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: T Cude

Date: 1/4/2023

Company Approval:

Date:

Joint Owner Interest: Amount:

Joint Owner Name: Signature:



MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE

Well Name:	PAPA GRANDE 22/21 W0HE FEE #1H	Prospect:	PAPA GRANDE										
Location:	SL: 2440 FNL & 350 FEL (22); BHL: 1900 FNL & 330 FWL (21)	County:	Eddy	ST:	NM								
Sec.	22	Blk:		Survey:		TWP:	22S	RNG:	27E	Prop. TVD:	8890	TMD:	19300

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$50,000
Daywork / Turnkey / Footage Drilling20 days drlg / 3 days comp @ \$29000/d	0180-0110	\$619,400	0180-0210	\$92,900
Fuel1700 gal/day @ \$3.9/gal	0180-0114	\$141,600	0180-0214	\$390,000
Alternate Fuels	0180-0115		0180-0215	\$118,000
Mud, Chemical & Additives	0180-0120	\$45,000	0180-0220	
Mud - Specialized	0180-0121	\$160,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,000
Stimulation Toe Preparation			0180-0223	\$40,000
Cementing	0180-0125	\$130,000	0180-0225	\$50,000
Logging & Wireline Services	0180-0130	\$25,000	0180-0230	\$576,000
Casing / Tubing / Snubbing Services	0180-0134	\$30,000	0180-0234	\$12,000
Mud Logging	0180-0137	\$15,000		
Stimulation79 Stg 24.8 MM gal / 24.8 MM lb			0180-0241	\$3,202,000
Stimulation Rentals & Other			0180-0242	\$315,000
Water & Other20% PW f/ Aris @ \$0.32/bbl & 80% FW f/ Mesq	0180-0145	\$35,000	0180-0245	\$415,000
Bits	0180-0148	\$70,500	0180-0248	\$5,000
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services	0180-0154		0180-0254	\$10,000
Testing & Flowback Services	0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig			0180-0260	\$10,500
Rig Mobilization	0180-0164	\$154,000		
Transportation	0180-0165	\$30,000	0180-0265	\$50,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision	0180-0170	\$150,000	0180-0270	\$81,000
Directional ServicesIncludes Vertical Control	0180-0175	\$289,000		
Equipment Rental	0180-0180	\$149,500	0180-0280	\$25,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$4,900	0180-0285	
Intangible Supplies	0180-0188	\$8,000	0180-0288	\$1,000
Damages	0180-0190	\$50,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$90,000	0180-0295	\$39,600
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies5% (TCP)5% (CC)	0180-0199	\$128,600	0180-0299	\$289,800
TOTAL		\$2,701,500		\$6,086,800

TANGIBLE COSTS 0181				
Casing (19.1" – 30")	0181-0793			
Casing (10.1" – 19.0")700' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$57,000		
Casing (8.1" – 10.0")1940' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft	0181-0795	\$126,000		
Casing (6.1" – 8.0")8590' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$548,900		
Casing (4.1" – 6.0")10730' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$383,600
Tubing8350' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13.6/ft			0181-0798	\$121,300
Drilling Head	0181-0860	\$50,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion ToolsCompletion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift			0181-0880	\$25,000
Service Pumps(1/2) TP/CP/Circ pump			0181-0886	\$16,000
Storage Tanks(1/2) 4 OT / 3 WT / 1 GB			0181-0890	\$142,000
Emissions Control Equipment(1/2) 2 VRT / VRU / Flare / 3 KO / 1 AIR			0181-0892	\$138,000
Separation / Treating Equipment(1/2) 2 H sep / 1 V sep / 2 VHT			0181-0895	\$99,000
Automation Metering Equipment			0181-0898	\$90,000
Oil/Gas Pipeline-Pipe/Valves&Misc (1/2) Gas Line & GL Injection			0181-0900	\$31,000
Water Pipeline-Pipe/Valves & Misc			0181-0901	\$7,500
On-site Valves/Fittings/Lines&Misc			0181-0906	\$165,000
Wellhead Flowlines - Construction			0181-0907	\$38,000
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$143,000
Equipment Installation			0181-0910	\$100,000
Oil/Gas Pipeline - Construction(1/2) Gas Line			0181-0920	\$13,000
Water Pipeline - Construction(1/2) SWDL			0181-0921	\$8,000
TOTAL		\$781,900		\$1,625,400
SUBTOTAL		\$3,483,400		\$7,712,200
TOTAL WELL COST		\$11,195,600		

Extra Expense Insurance	
<input type="checkbox"/>	I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium. Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.
<input type="checkbox"/>	I elect to purchase my own well control insurance policy. If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.
Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.	
Prepared by: _____ T Cude	Date: 1/4/2023
Company Approval: _____	Date: _____
Joint Owner Interest: _____ Amount: _____	Signature: _____



MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE

Well Name: PAPA GRANDE 22/21 W0IL FEE #1H

Prospect: TOMMY BOY (DVN)

Location: SL: 2440 FSL & 350 FEL (22); BHL: 2050 FSL & 330 FWL (21)

County: Eddy

ST: NM

Sec. 23

Blk:

Survey:

TWP: 22S

RNG: 27E

Prop. TVD: 9013

TMD: 19039

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$50,000
Daywork / Turnkey / Footage Drilling 20 days drlg / 3 days comp @ \$29000/d		0180-0110	\$619,400	0180-0210	\$92,900
Fuel 1700 gal/day @ \$3.9/gal		0180-0114	\$141,600	0180-0214	\$390,000
Alternate Fuels		0180-0115		0180-0215	\$118,000
Mud, Chemical & Additives		0180-0120	\$45,000	0180-0220	
Mud - Specialized		0180-0121	\$160,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$40,000
Cementing		0180-0125	\$130,000	0180-0225	\$50,000
Logging & Wireline Services		0180-0130	\$25,000	0180-0230	\$576,000
Casing / Tubing / Snubbing Services		0180-0134	\$30,000	0180-0234	\$12,000
Mud Logging		0180-0137	\$15,000		
Stimulation 79 Stg 24.8 MM gal / 24.8 MM lb				0180-0241	\$3,202,000
Stimulation Rentals & Other				0180-0242	\$315,000
Water & Other 20% PW f/ Aris @ \$0.32/bbl & 80% FW f/ Mesq		0180-0145	\$35,000	0180-0245	\$415,000
Bits		0180-0148	\$70,500	0180-0248	\$5,000
Inspection & Repair Services		0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$10,000
Testing & Flowback Services		0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig				0180-0260	\$10,500
Rig Mobilization		0180-0164	\$154,000		
Transportation		0180-0165	\$30,000	0180-0265	\$50,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$150,000	0180-0270	\$81,000
Directional Services Includes Vertical Control		0180-0175	\$289,000		
Equipment Rental		0180-0180	\$149,500	0180-0280	\$25,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,900	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$50,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$90,000	0180-0295	\$39,600
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)		0180-0199	\$128,600	0180-0299	\$289,800
TOTAL			\$2,701,500		\$6,086,800
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 700' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft		0181-0794	\$57,000		
Casing (8.1" - 10.0") 1940' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft		0181-0795	\$126,000		
Casing (6.1" - 8.0") 8590' - 7" 29# HPP110 BT&C @ \$59.83/ft		0181-0796	\$548,900		
Casing (4.1" - 6.0") 10730' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft				0181-0797	\$383,600
Tubing 8350' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13.6/ft				0181-0798	\$121,300
Drilling Head		0181-0860	\$50,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$75,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Service Pumps (1/2) TP/CP/Circ pump				0181-0886	\$16,000
Storage Tanks (1/2) 4 OT / 3 WT / 1 GB				0181-0890	\$142,000
Emissions Control Equipment (1/2) 2 VRT / VRU / Flare / 3 KO / 1 AIR				0181-0892	\$138,000
Separation / Treating Equipment (1/2) 2 H sep / 1 V sep / 2 VHT				0181-0895	\$99,000
Automation Metering Equipment				0181-0898	\$90,000
Oil/Gas Pipeline-Pipe/Valves&Misc (1/2) Gas Line & GL Injection				0181-0900	\$31,000
Water Pipeline-Pipe/Valves & Misc				0181-0901	\$7,500
On-site Valves/Fittings/Lines&Misc				0181-0906	\$165,000
Wellhead Flowlines - Construction				0181-0907	\$38,000
Cathodic Protection				0181-0908	
Electrical Installation				0181-0909	\$143,000
Equipment Installation				0181-0910	\$100,000
Oil/Gas Pipeline - Construction (1/2) Gas Line				0181-0920	\$13,000
Water Pipeline - Construction (1/2) SWDL				0181-0921	\$8,000
TOTAL			\$781,900		\$1,625,400
SUBTOTAL			\$3,483,400		\$7,712,200
TOTAL WELL COST			\$11,195,600		

File: PAPA GRANDE 22-21 W0IL FEE #1H AFE.xlsx

Revised: 8/11/2020



MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE

Well Name: PAPA GRANDE 22/21 W0PM FEE #1H		Prospect: TOMMY BOY (DVN)	
Location: SL: 2440 FSL & 320 FEL (22); BHL: 660 FSL & 330 FWL (21)		County: Eddy	ST: NM
Sec. 23	Blk:	Survey:	TWP: 22S RNG: 27E Prop. TVD: 9012 TMD: 19232

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$75,000	0180-0205	\$35,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$50,000
Daywork / Turnkey / Footage Drilling 20 days drlg / 3 days comp @ \$29000/d	0180-0110	\$619,400	0180-0210	\$92,900
Fuel 1700 gal/day @ \$3.9/gal	0180-0114	\$141,600	0180-0214	\$390,000
Alternate Fuels	0180-0115		0180-0215	\$118,000
Mud, Chemical & Additives	0180-0120	\$45,000	0180-0220	
Mud - Specialized	0180-0121	\$160,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,000
Stimulation Toe Preparation			0180-0223	\$40,000
Cementing	0180-0125	\$130,000	0180-0225	\$50,000
Logging & Wireline Services	0180-0130	\$25,000	0180-0230	\$576,000
Casing / Tubing / Snubbing Services	0180-0134	\$30,000	0180-0234	\$12,000
Mud Logging	0180-0137	\$15,000		
Stimulation 79 Stg 24.8 MM gal / 24.8 MM lb			0180-0241	\$3,202,000
Stimulation Rentals & Other			0180-0242	\$315,000
Water & Other 20% PW f/ Aris @ \$0.32/bbl & 80% FW f/ Mesq	0180-0145	\$35,000	0180-0245	\$415,000
Bits	0180-0148	\$70,500	0180-0248	\$5,000
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$5,000
Misc. Air & Pumping Services	0180-0154		0180-0254	\$10,000
Testing & Flowback Services	0180-0158	\$12,000	0180-0258	\$24,000
Completion / Workover Rig			0180-0260	\$10,500
Rig Mobilization	0180-0164	\$154,000		
Transportation	0180-0165	\$30,000	0180-0265	\$50,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision	0180-0170	\$150,000	0180-0270	\$81,000
Directional Services Includes Vertical Control	0180-0175	\$289,000		
Equipment Rental	0180-0180	\$149,500	0180-0280	\$25,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$2,300	0180-0285	
Intangible Supplies	0180-0188	\$8,000	0180-0288	\$1,000
Damages	0180-0190	\$50,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$90,000	0180-0295	\$39,600
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 5% (TCP) 5% (CC)	0180-0199	\$128,500	0180-0299	\$289,800
TOTAL		\$2,698,800		\$6,086,800

TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 700' - 13 3/8" 54.5# J-55 ST&C @ \$76.3/ft	0181-0794	\$57,000		
Casing (8.1" - 10.0") 1940' - 9 5/8" 40# HCL80 LT&C @ \$60.83/ft	0181-0795	\$126,000		
Casing (6.1" - 8.0") 8785' - 7" 29# HPP110 BT&C @ \$59.83/ft	0181-0796	\$561,300		
Casing (4.1" - 6.0") 10705' - 4 1/2" 13.5# HCP-110 CDC-HTQ @ \$33.47/ft			0181-0797	\$382,700
Tubing 8555' - 2 7/8" 6.5# L-80 IPC Tbg @ \$13.6/ft			0181-0798	\$124,300
Drilling Head	0181-0860	\$50,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$75,000
Subsurface Equip. & Artificial Lift			0181-0880	\$25,000
Service Pumps (1/2) TP/CP/Circ pump			0181-0886	\$16,000
Storage Tanks (1/2) 4 OT / 3 WT / 1 GB			0181-0890	\$142,000
Emissions Control Equipment (1/2) 2 VRT / VRU / Flare / 3 KO / 1 AIR			0181-0892	\$138,000
Separation / Treating Equipment (1/2) 2 H sep / 1 V sep / 2 VHT			0181-0895	\$99,000
Automation Metering Equipment			0181-0898	\$90,000
Oil/Gas Pipeline-Pipe/Valves&Misc (1/2) Gas Line & GL Injection			0181-0900	\$31,000
Water Pipeline-Pipe/Valves & Misc			0181-0901	\$7,500
On-site Valves/Fittings/Lines&Misc			0181-0906	\$165,000
Wellhead Flowlines - Construction			0181-0907	\$38,000
Cathodic Protection			0181-0908	
Electrical Installation			0181-0909	\$143,000
Equipment Installation			0181-0910	\$100,000
Oil/Gas Pipeline - Construction (1/2) Gas Line			0181-0920	\$13,000
Water Pipeline - Construction (1/2) SWDL			0181-0921	\$8,000
TOTAL		\$794,300		\$1,627,500
SUBTOTAL		\$3,493,100		\$7,714,300
TOTAL WELL COST				\$11,207,400

☐

I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator has secured Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185.

☐

I elect to purchase my own well control insurance policy.  
If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Joint owner agrees that item 0180-0245 will be provided by operator, if available, at the specified rate. Operator reserves the right to adjust the rate due to a change in market conditions.

Prepared by: Andy Taylor

Date: 11/14/2022

Company Approval: *m. whitte*

Date: 11/16/2022

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

**Summary of Communications**  
**Papa Grande 22-21 W0AD Fee #1H**  
**Papa Grande 22-21 W0HE Fee #1H**

**MRC Delaware Resources, LLC**

1. January 12, 2023 – mailed well proposal letter, AFEs, and Operating Agreement.
2. March 7, 2023, thru March 22, 2023 – email correspondence between Clay Wooten with MRC Delaware Resources, LLC and Tyler Jolly with Mewbourne discussing the Papa Grande Prospect and Operating Agreement. Clay sent an oil and gas lease from MRC Permian Company to MRC Delaware Resources, LLC.

**Summary of Communications**  
**Papa Grande 22-21 W0IL Fee #1H**  
**Papa Grande 22-21 W0PM Fee #1H**

**WPX Energy Permian, LLC**

1. January 12, 2023 – mailed well proposal letter, AFEs, and Operating Agreement.
2. November 29, 2022, thru March 27, 2023 – email correspondence between Jake Nourse with Devon and Tyler Jolly with Mewbourne discussing the Papa Grande Prospect and Operating Agreement.

**MRC Delaware Resources, LLC**

3. January 12, 2023 – mailed well proposal letter, AFEs, and Operating Agreement.
4. March 7, 2023, thru March 22, 2023 – email correspondence between Clay Wooten with MRC Delaware Resources, LLC and Tyler Jolly with Mewbourne discussing the Papa Grande Prospect and Operating Agreement. Clay sent an oil and gas lease from MRC Permian Company to MRC Delaware Resources, LLC.

**State Highway Commission of New Mexico**

1. January 19, 2023 – mailed well proposal letter, AFEs, and Operating Agreement.
2. March 28, 2023 – follow up email to the State Highway Commission of New Mexico about the well proposal letter, AFEs, and Operating Agreement.



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

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

**CASE NOS. 23397–23398**

**SELF-AFFIRMED STATEMENT TYLER HILL**

1. My name is Tyler Hill. I work for Mewbourne Oil Company (“Mewbourne”) as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by Mewbourne in these cases, and I have conducted a geologic study of the lands in the subject area.

4. Mewbourne is targeting the Wolfcamp formation in these cases.

5. **Mewbourne Exhibits B-1 and Exhibit B-3** are subsea structure maps that I prepared for the top of the correlative Wolfcamp marker, with a contour interval of 50 feet. The structure maps show the Wolfcamp dips to the east. The Wolfcamp structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontally drilling the wells proposed in each of the spacing units. Both exhibits also show a line of cross-section consisting of wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section from A to A’ for each case. I consider these wells to be representative of the geology in the area.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Mewbourne Oil Company  
Hearing Date: April 6, 2023  
Case Nos. 23397 & 23398**

6. **Mewbourne Exhibits B-2 and B-4** are stratigraphic cross-sections that I prepared displaying open-hole logs run over the Wolfcamp from representative wells denoted from A to A' for each case. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target interval in each case is marked with a red arrow on the exhibits. The logs in the cross-sections demonstrate that the target intervals are continuous and consistent in thickness across the entirety of each proposed spacing unit.

7. In my opinion, laydown orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.

8. Based on my geologic study, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing units proposed.

9. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Mewbourne's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

10. **Mewbourne Exhibits B-1 through B-4** were either prepared by me or compiled under my direction and supervision.

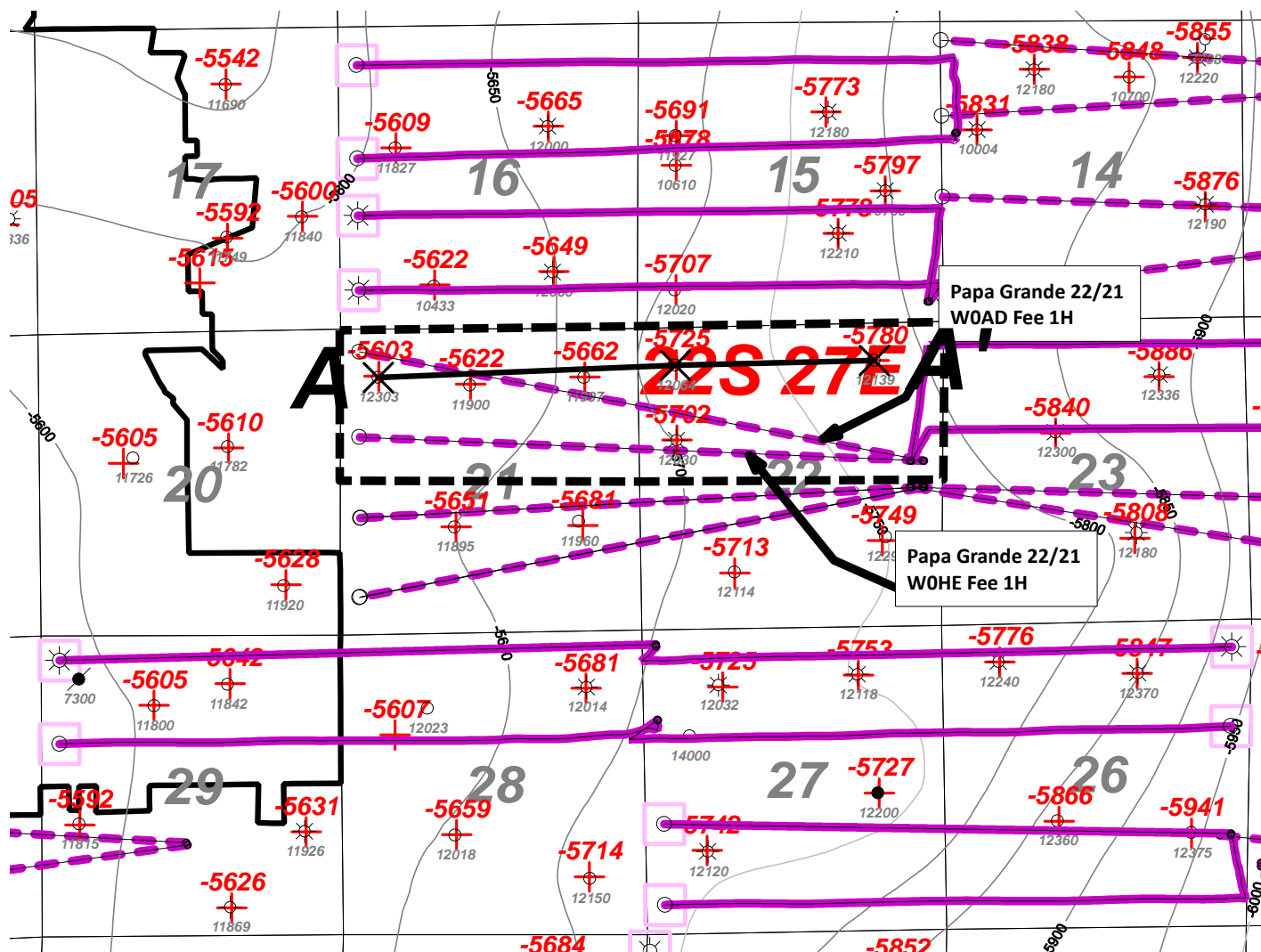
11. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in these cases. This statement is made on the date next to my signature below.

Tyler Hill

Tyler Hill

3/30/23


Date



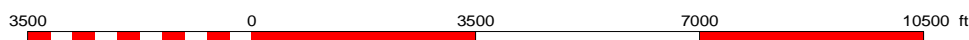
## Activity Color Code

- Wolfcamp Sand (Permitted)
- Wolfcamp Sand (Drilled)



 <b>Mewbourne Oil Company</b>		
<b>Papa Grande 22/21 WOAD Fee 1H</b> <b>Papa Grande 22/21 W0HE Fee 1H</b> <i>Structure top WFMP (C.I. 50')</i>		
Author: T. Hill	County:	Date: 21 March, 2023
Scale: 1.0"=3000'		

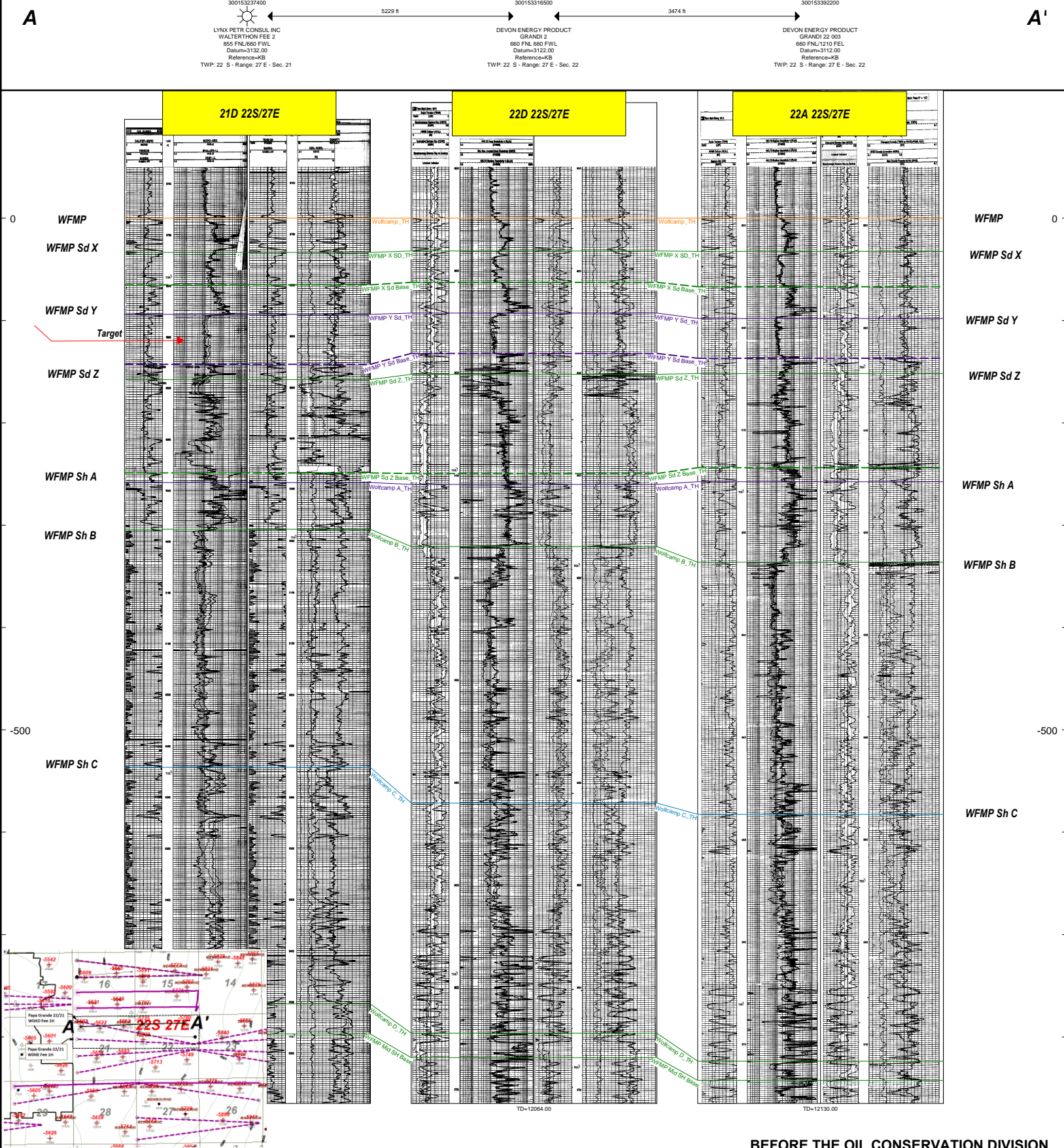
1 inch = 3000 feet



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B1  
 Submitted by: Mewbourne Oil Company  
 Hearing Date: April 6, 2023  
 Case Nos. 23397 & 23398



## Papa Grande 22/21 W0AD/W0HE



BEFORE THE OIL CONSERVATION DIVISION

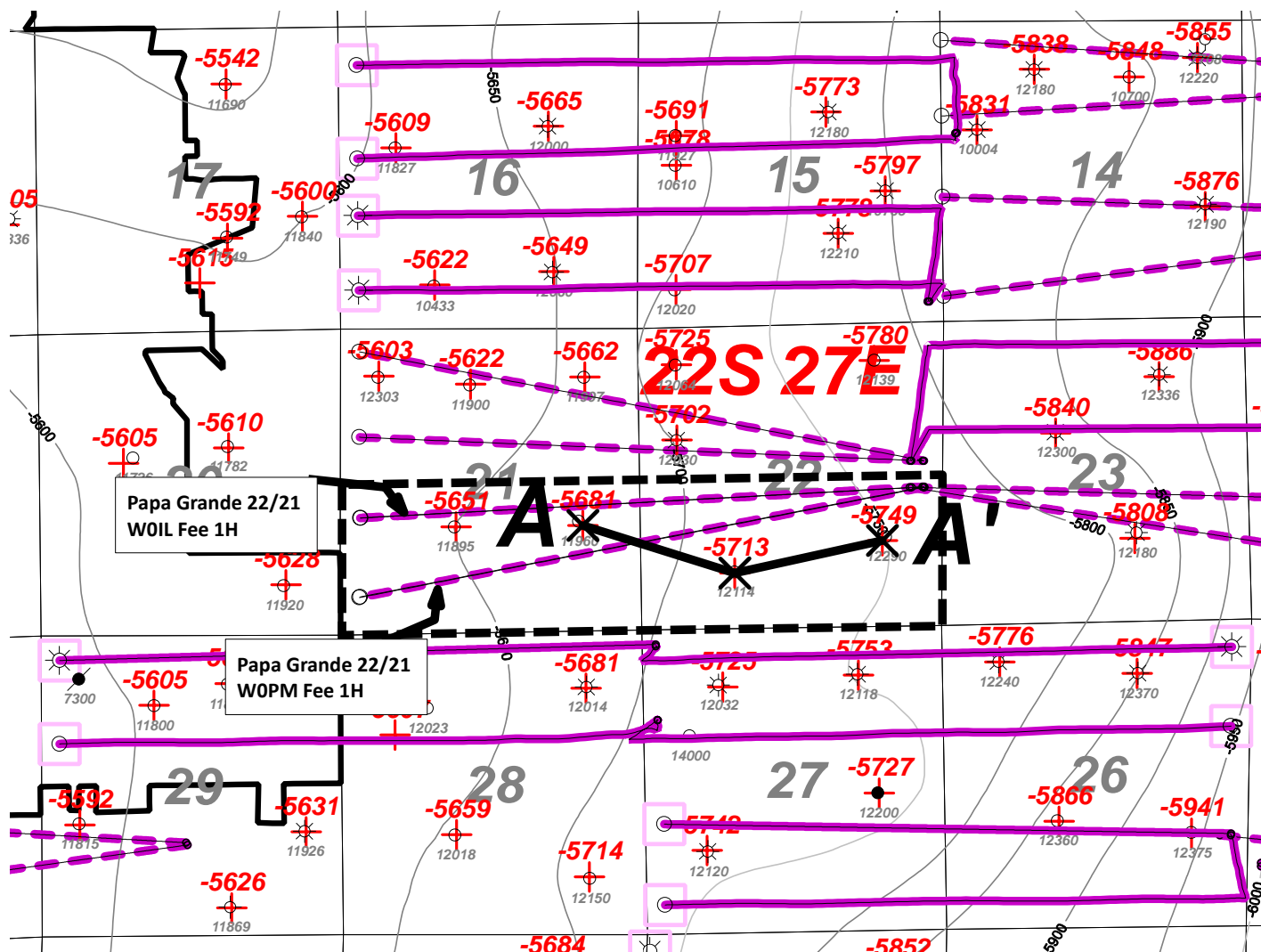
Santa Fe, New Mexico

Exhibit No. B2

Submitted by: Mewbourne Oil Company

Hearing Date: April 6, 2023


Case Nos. 23397 &amp; 23398



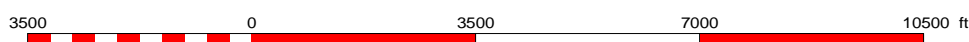
## Activity Color Code

- Wolfcamp Sand (Permitted)
- Wolfcamp Sand (Drilled)



 <b>Mewbourne Oil Company</b>		
<b>Papa Grande 22/21 W0IL Fee 1H</b> <b>Papa Grande 22/21 W0PM Fee 1H</b> <i>Structure top WFMP (C.I. 50')</i>		
Author: T. Hill	County:	Date: 22 March, 2023
Scale: 1.0"=3000'		

1 inch = 3000 feet



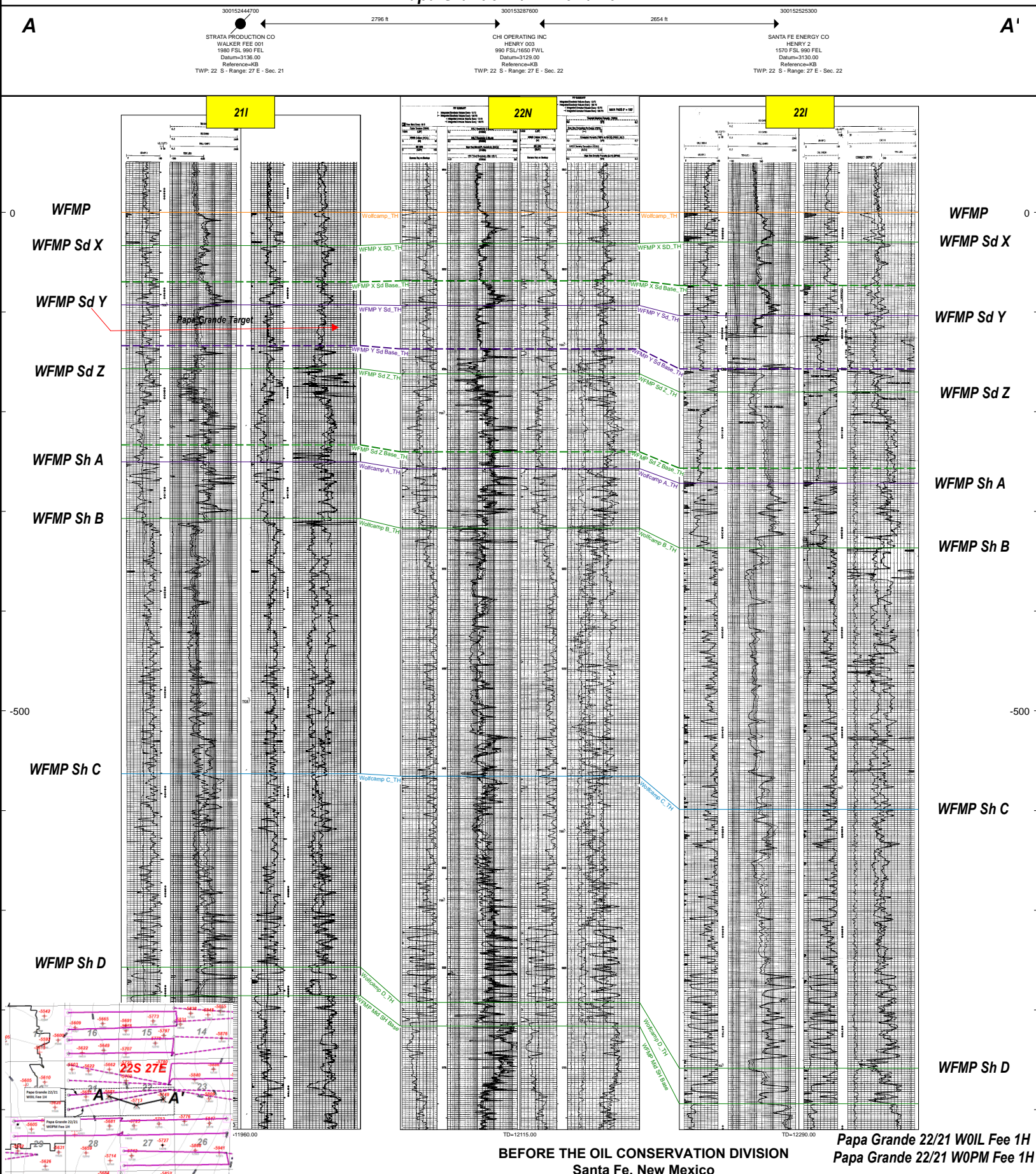
BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B3  
 Submitted by: Mewbourne Oil Company  
 Hearing Date: April 6, 2023  
 Case Nos. 23397 & 23398



**Papa Grande 22/21 W0IL/W0PM**

**A**

**A**



**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. B4**

**Submitted by: Mewbourne Oil Company**  
**Hearing Date: April 6, 2023**  
**Case Nos. 23397 & 23398**

**Papa Grande 22/21 W0IL Fee 1H**  
**Papa Grande 22/21 W0PM Fee 1H**

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

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

**CASE NOS. 23397 & 23398**

**SELF-AFFIRMED STATEMENT OF  
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Mewbourne Oil Company (“Mewbourne”), the Applicant herein. I have personal knowledge of the matters addressed herein and am competent to provide this self-affirmed statement.
2. The above-referenced applications and notice of the hearing on these applications was sent by certified mail to the affected parties on the date set forth in the letters attached hereto.
3. The spreadsheets attached hereto contain the names of the parties to whom notice was provided.
4. The spreadsheets attached hereto contain the information provided by the United States Postal Service on the status of the delivery of this notice as of March 31, 2023.
5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication for each case is attached as Exhibit D.
6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in these cases. This statement is made on the date next to my signature below.

  
Paula M. Vance \_\_\_\_\_

4/4/23 \_\_\_\_\_  
Date

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Mewbourne Oil Company  
Hearing Date: April 6, 2023  
Case Nos. 23397 & 23398**





**Adam G. Rankin**  
**Partner**  
**Phone** (505) 988-4421  
agrarkin@hollandhart.com

March 17, 2023

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico: Papa Grande 22/21 Wells (N2 spacing unit)**

Greetings:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.nm.gov/ocd/>.

**Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Tyler Jolly at (432) 682-3715, or at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com).

Adam G. Rankin

A handwritten signature in blue ink, appearing to be 'AG Rankin', written over a horizontal line.

**ATTORNEY FOR MEWBOURNE OIL  
COMPANY**

**Location**

110 North Guadalupe, Suite 1  
Santa Fe, NM 87501-1849

**Mailing Address**

P.O. Box 2208  
Santa Fe, NM 87504-2208

**Contact**

p: 505.988.4421 | f: 595.983.6043  
[www.hollandhart.com](http://www.hollandhart.com)

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe  
Washington, D.C.



**Adam G. Rankin**  
**Partner**  
**Phone** (505) 988-4421  
agrarkin@hollandhart.com

March 17, 2023

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico: Papa Grande 22/21 Wells (S2 spacing unit)**

Greetings:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.nm.gov/ocd/>.

**Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. 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. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Tyler Jolly at (432) 682-3715, or at [tjolly@mewbourne.com](mailto:tjolly@mewbourne.com).

Adam G. Rankin

A handwritten signature in blue ink, appearing to read 'A.G. Rankin'.

**ATTORNEY FOR MEWBOURNE OIL  
COMPANY**

**Location**

110 North Guadalupe, Suite 1  
Santa Fe, NM 87501-1849

**Mailing Address**

P.O. Box 2208  
Santa Fe, NM 87504-2208

**Contact**

p: 505.988.4421 | f: 595.983.6043  
[www.hollandhart.com](http://www.hollandhart.com)

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe  
Washington, D.C.

MOC\_Papa Grande replacement  
Cases 23397-23398 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765831771444	WPX Energy Permian, LLC, Jake Nourse	333 W Sheridan Ave	Oklahoma	OK	73102-5010	Your item was picked up at a postal facility at 8:27 am on March 20, 2023 in OKLAHOMA CITY, OK 73102.
9414811898765831771482	State Highway Commission of New Mexico	4505 W 2nd St	Roswell	NM	88201-8872	Your item is out for delivery on March 30, 2023 at 9:45 am in SANTA FE, NM 87501.
9414811898765831771437	State Highway Commission of New Mexico	PO Box 1149	Santa Fe	NM	87504-1149	Your item was picked up at a postal facility at 5:44 am on March 21, 2023 in SANTA FE, NM 87501.
9414811898765831771475	Pocahontas Oil Co., Inc.	PO Box 60476	Midland	TX	79711-0476	Your item arrived at the SANTA FE, NM 87501 post office at 2:40 pm on March 27, 2023 and is ready for pickup.
9414811898765831771550	MRC Permian Company, Clay Wooten	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 9:25 am on March 21, 2023 in DALLAS, TX 75240.
9414811898765831771567	Marathon Oil Permian LLC, Attn Patricia Schoenberger	990 Town And Country Blvd	Houston	TX	77024-2217	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765831771505	Daniel Energy, Inc.	PO Box 5909	Midland	TX	79704-5909	Your item arrived at the SANTA FE, NM 87501 post office at 2:40 pm on March 27, 2023 and is ready for pickup.

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005631940

This is not an invoice

HOLLAND & HART  
POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/17/2023

*Nicole Jacobs*  
Legal Clerk

Subscribed and sworn before me this March 17, 2023:

*Kathleen Allen*

State of WI, County of Brown  
NOTARY PUBLIC

*1-7-25*  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005631940  
PO #: 0005631940  
# of Affidavits 1

This is not an invoice

69: CF9'H<9'C=@7 CBG9FJ5HCB'8-J-GCB'

GUBHU: YZBYk 'A YI Jw

91\ JVJhBc"8

Gi Va JHXXVm'AYk Vci fbYCJ'7 ca dUbm

<YLFbf'8LH'5dfT'\*Z8\$8'

Released to Imaging 4/4/2023 3:57:53 PM

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on **Thursday, April 6, 2023, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than **March 26, 2023**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m649446d197c12fc21c1cc13fb9d6afa3>  
Webinar number: 2491 510 1304

Join by video system: [24915101304@nmemnrd.webex.com](mailto:24915101304@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free  
+1-408-418-9388 United States Toll  
Access code: 2491 510 1304

Panelist password: SVM35WY9Z6G (78635999 from phones and video systems)

**STATE OF NEW MEXICO TO:**  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected parties, including: WPX Energy Permian, LLC; State Highway Commission of New Mexico; Pocahontas Oil Co., Inc.; MRC Permian Company; Marathon Oil Permian LLC; and Daniel Energy, Inc.

Case No. 23397: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be initially dedicated to the following proposed wells:

Papa Grande 22/21 WOAD Fee 1H, with a first take point in the NE4NE4 (Unit A) of Section 22 and a last take point in the NW4NW4 (Unit D) of Section 21.

Papa Grande 22/21 W0HE Fee 1H, with a first take point in the SE4NE4 (Unit H) of Section 22 and a last take point in the SW4NW4 (Unit E) of Section 21.

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1 mile south of Carlsbad, New Mexico.

#0005631940, Curret Argus, March 17, 2023



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005631969

This is not an invoice

HOLLAND &amp; HART

POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/17/2023

*Nicole Jacobs*  
Legal Clerk

Subscribed and sworn before me this March 17, 2023:

*Kathleen Allen*  
State of WI, County of Brown  
NOTARY PUBLIC

*1-7-25*  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005631969  
PO #: 0005631969  
# of Affidavits 1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on **Thursday, April 6, 2023, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than **March 26, 2023**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m649446d197c12fc21c1cc13fb9d6afa3>  
Webinar number: 2491 510 1304

Join by video system: [24915101304@nmemnrd.webex.com](mailto:24915101304@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free  
+1-408-418-9388 United States Toll  
Access code: 2491 510 1304

Panelist password: SVM35WY9Z6G (78635999 from phones and video systems)

**STATE OF NEW MEXICO TO:**  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected parties, including: WPX Energy Permian, LLC; State Highway Commission of New Mexico; Pochontas Oil Co., Inc.; MRC Permian Company; Marathon Oil Permian LLC; and Daniel Energy, Inc.

**Case No. 23398: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a 640-acre, more or less, standard horizontal well spacing unit in the Wolfcamp formation underlying the S2 of Sections 22 and 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This spacing unit will be initially dedicated to the following proposed wells:

**Papa Grande 22/21 WOIL Fee 1H**, with a first take point in the NE4SE4 (Unit I) of Section 22 and a last take point in the NW4SW4 (Unit L) of Section 21.

**Papa Grande 22/21 WOPM Fee 1H**, with a first take point in the SE4SE4 (Unit P) of Section 22 and a last take point in the SW4SW4 (Unit M) of Section 21.

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the operating costs and charges for supervision, the designation of applicant as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 1 mile south of Carlsbad, New Mexico.

#0005631969, Current Argus, March 17, 2023