

CASE NOS. 22161-22164

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

EXHIBIT LIST

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

PART I

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. _____

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 Lots 1-4 (the W/2W/2) of Section 18 and Lots 1-4 (the W/2W/2) of Section 19, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the W/2W/2 of Section 18 and the W/2W/2 of Section 19, and has the right to drill a well or wells thereon.
2. Applicant proposes to drill (a) the Spanish Bay 18/19 B1DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/4 of Section 19, and (b) the Spanish Bay 18/19 B2DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/4 of Section 19.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2W/2 of Section 18 and the W/2W/2 of Section 19 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

EXHIBIT

7

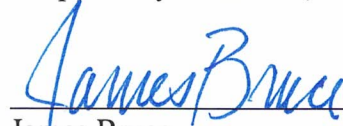
formation underlying the W/2W/2 of Section 18 and the W/2W/2 of Section 19, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the W/2W/2 of Section 18 and the W/2W/2 of Section 19 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 mineral interest owners in the Bone Spring formation underlying the W/2W/2 of Section 18 and the W/2W/2 of Section 19;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



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

Attorney for Mewbourne Oil Company

Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.

Mewbourne Oil Company seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 18 and the W/2W/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to (a) the Spanish Bay 18/19 B1DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/4 of Section 19, and (b) the Spanish Bay 18/19 B2DM Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of 18 and a last take point in the SW/4SW/4 of Section 19. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located approximately 14-1/2 miles south-southeast of Maljamar, New Mexico.

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formation underlying the E/2W/2 of Section 18 and the E/2W/2 of Section 19, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the E/2W/2 of Section 18 and the E/2W/2 of Section 19 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:

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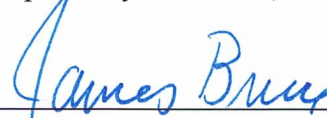
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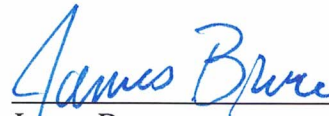
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**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

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

Case Nos. 22161 - 22164

SELF-AFFIRMED STATEMENT OF CARSON CULLEN

Carson, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company (“Mewbourne”), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. Pursuant to Division Rules, the following information is submitted in support of this compulsory pooling application

3. The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.

4. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests to the wells.

5. Plats and C-102s outlining the units being pooled is submitted as Attachments A-1 through A-4. Mewbourne seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in the following well units:

(a) Case No. 22161: the W/2W/2 of Section 18 and the W/2W/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Spanish Bay 18/19 B1DM Fed. Com. Well No. 1H and the Spanish Bay 18/19 B2DM Fed. Com. Well No. 1H, with first take points in the NW/4NW/4 of 18 and last take points in the SW/4SW/4 of Section 1;

(B) Case No. 22162: the E/2W/2 of Section 18 and the E/2W/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Spanish Bay 18/19 B1CN Fed. Com. Well No. 1H and the Spanish Bay 18/19 B2CN Fed. Com. Well No. 1H, with first take points in the NE/4NW/4 of 18 and last take points in the SE/4SW/4 of Section 1;

EXHIBIT 2

(c) Case No. 22163: the W/2E/2 of Section 18 and the W/2E/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Spanish Bay 18/19 B1BO Fed. Com. Well No. 1H and the Spanish Bay 18/19 B2BO Fed. Com. Well No. 1H, with first take points in the NW/4NE/4 of 18 and last take points in the SW/4SE/4 of Section 1; and

(d) Case No. 22164: the E/2E/2 of Section 18 and the E/2E/2 of Section 19, Township 19 South, Range 33 East, NMPM. The unit will be dedicated to the Spanish Bay 18/19 B1AP Fed. Com. Well No. 1H and the Spanish Bay 18/19 B2AP Fed. Com. Well No. 1H, with first take points in the NE/4NE/4 of 18 and last take points in the SE/4SE/4 of Section 1.

There are no depth severances in the Bone Spring formation.

6. The tracts in the units and the parties being pooled and their interests are set forth in Attachment B.

7. In order to locate the interest owners, Mewbourne examined the county and federal records, performed internet searches, checked telephone records, and searched Accurint and Whitepages.

8. Attachment C is a summary of communications and a sample copy of the proposal letters sent to the working interest owners. Mewbourne has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well, or to locate the interest owners.

9. Attachment D-1 through D-4 contains the Authorizations for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and comparable to the cost of other wells of similar depth and length drilled in this area of Lea County.

10. Mewbourne requests overhead and administrative rates of \$8000/month for a drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Lea County. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

11. Mewbourne requests that the maximum cost plus 200% risk charge be assessed against a non-consenting working interest owner.

12. Mewbourne requests that it be designated operator of the wells.

13. The attachments to this affidavit were prepared by me, or compiled from company business records.

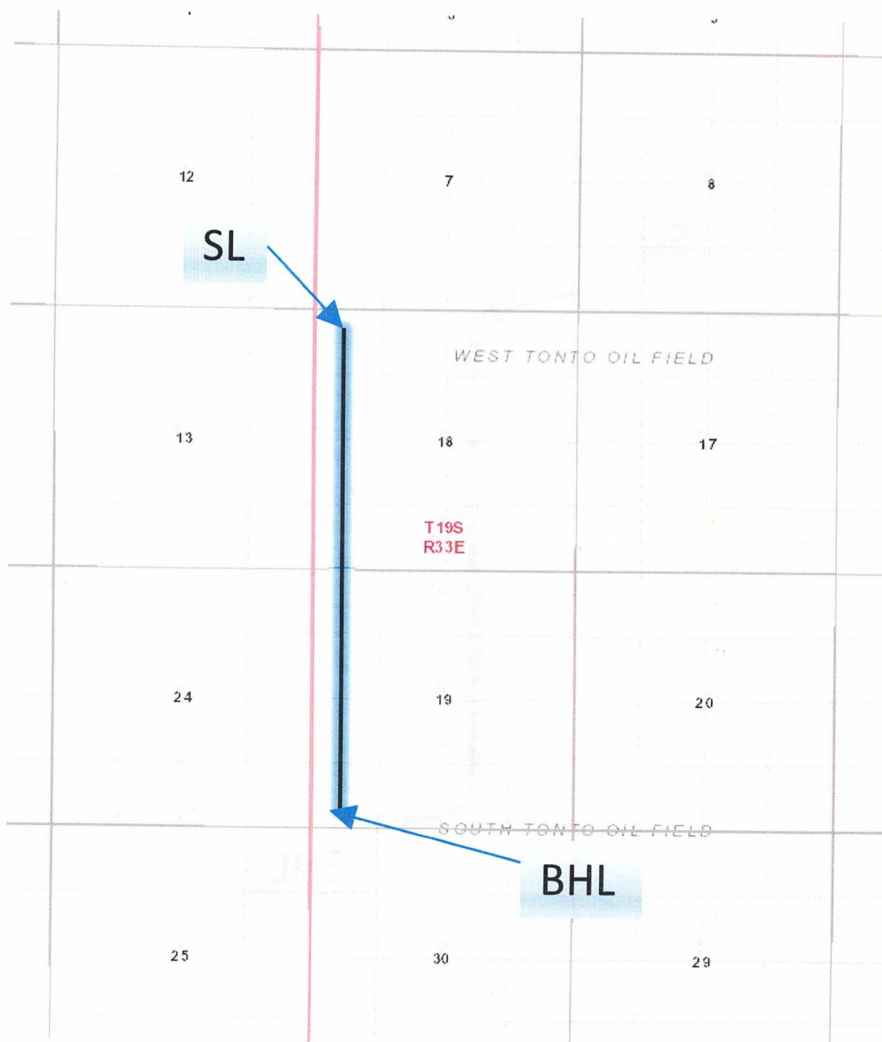
14. Granting the applications is in the interests of conservation and the prevention of waste.

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 14 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: 4/4/23

Carson Cullen
Carson Cullen

**Spanish Bay 18/19 B1DM Fed COM #1H
Sections 18 (W/2W/2) & 19 (W/2W/2), T19S, R33E
LEA COUNTY, NM**



ATTACHMENT A-1

EXHIBIT A

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-1C
 Revised August 1, 20
 Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49415		² Pool Code 59476		³ Pool Name TONTO;BONE SPRING, SOUTH	
⁴ Property Code 331604		⁵ Property Name SPANISH BAY 18/19 B1DM FED COM			⁶ Well Number 1H
⁷ OGRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3645'

¹⁰ Surface Location

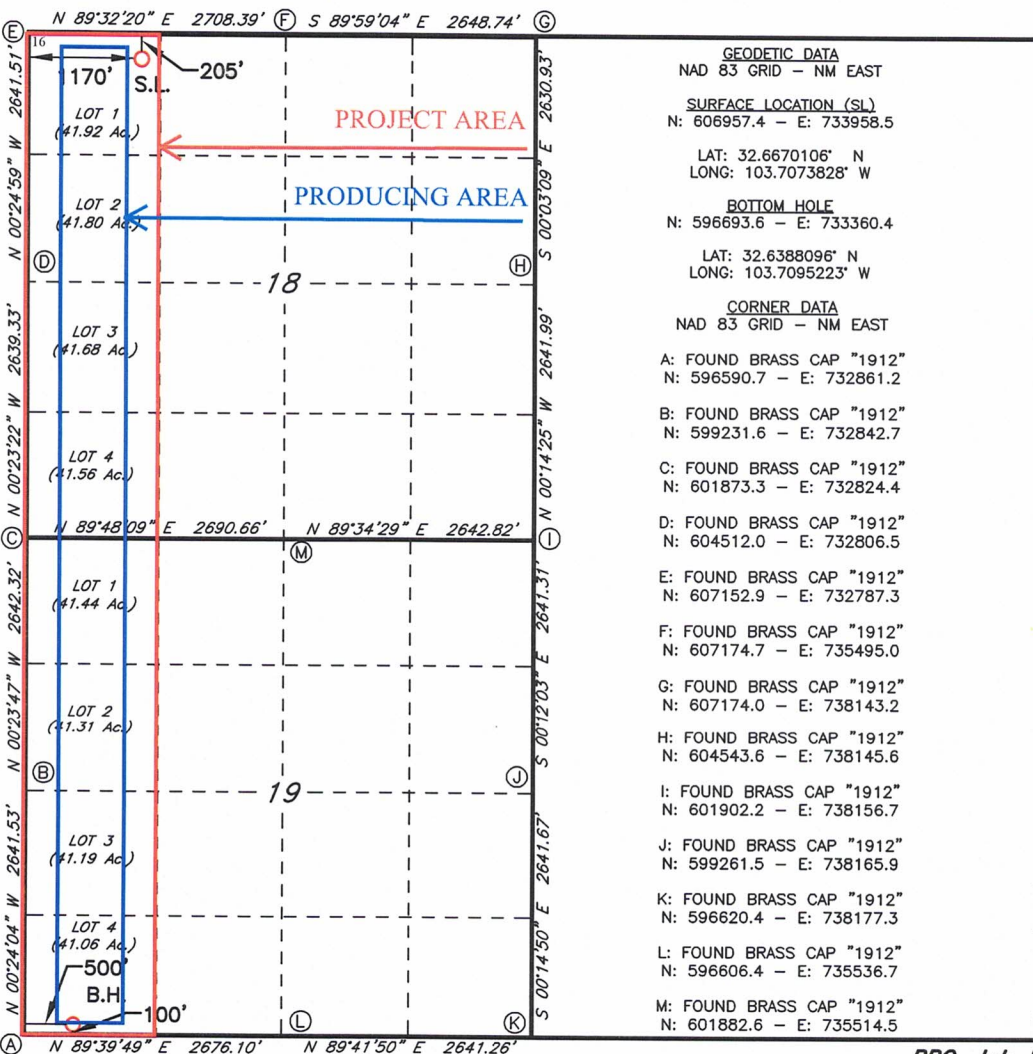
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
1	18	19S	33E		205	NORTH	1170	WEST	LEA

¹¹ 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
4	19	19S	33E		100	SOUTH	500	WEST	LEA

¹² Dedicated Acres 331.96	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



GEODETIC DATA
 NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
 N: 606957.4 - E: 733958.5
 LAT: 32.6670106° N
 LONG: 103.7073828° W

BOTTOM HOLE
 N: 596693.6 - E: 733360.4
 LAT: 32.6388096° N
 LONG: 103.7095223° W

CORNER DATA
 NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1912"
 N: 596590.7 - E: 732861.2

B: FOUND BRASS CAP "1912"
 N: 599231.6 - E: 732842.7

C: FOUND BRASS CAP "1912"
 N: 601873.3 - E: 732824.4

D: FOUND BRASS CAP "1912"
 N: 604512.0 - E: 732806.5

E: FOUND BRASS CAP "1912"
 N: 607152.9 - E: 732787.3

F: FOUND BRASS CAP "1912"
 N: 607174.7 - E: 735495.0

G: FOUND BRASS CAP "1912"
 N: 607174.0 - E: 738143.2

H: FOUND BRASS CAP "1912"
 N: 604543.6 - E: 738145.6

I: FOUND BRASS CAP "1912"
 N: 601902.2 - E: 738156.7

J: FOUND BRASS CAP "1912"
 N: 599261.5 - E: 738165.9

K: FOUND BRASS CAP "1912"
 N: 596620.4 - E: 738177.3

L: FOUND BRASS CAP "1912"
 N: 596606.4 - E: 735536.7

M: FOUND BRASS CAP "1912"
 N: 601882.6 - E: 735514.5

17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Bradley Bishop* Date: **6-3-20**
 Printed Name: **BRADLEY BISHOP**
 E-mail Address: **BBISHOP@MEWBOURNE.COM**

18 SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: **04-1-2020**
 Signature and Seal of Professional Surveyor: *[Signature]*
19680
 Certificate Number



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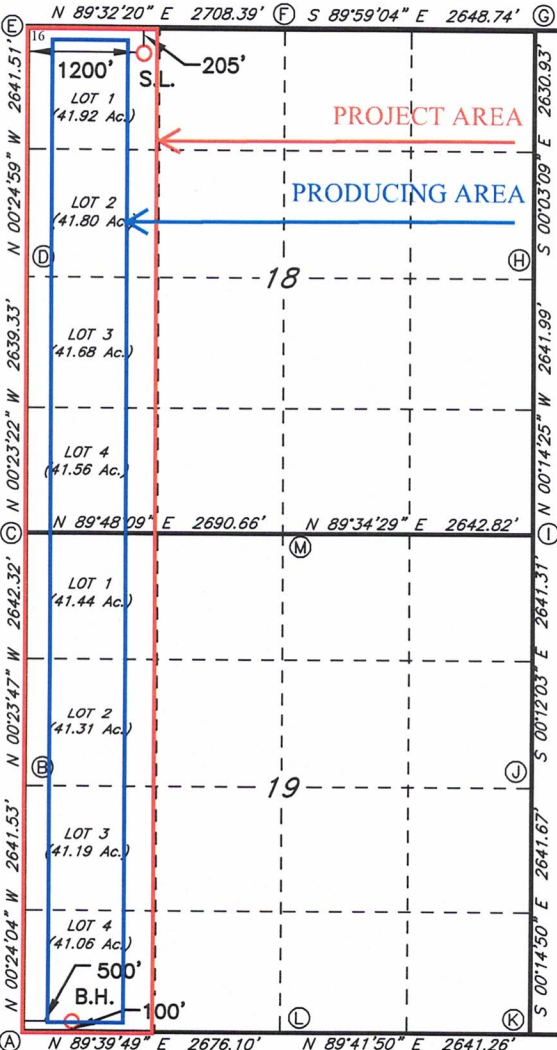
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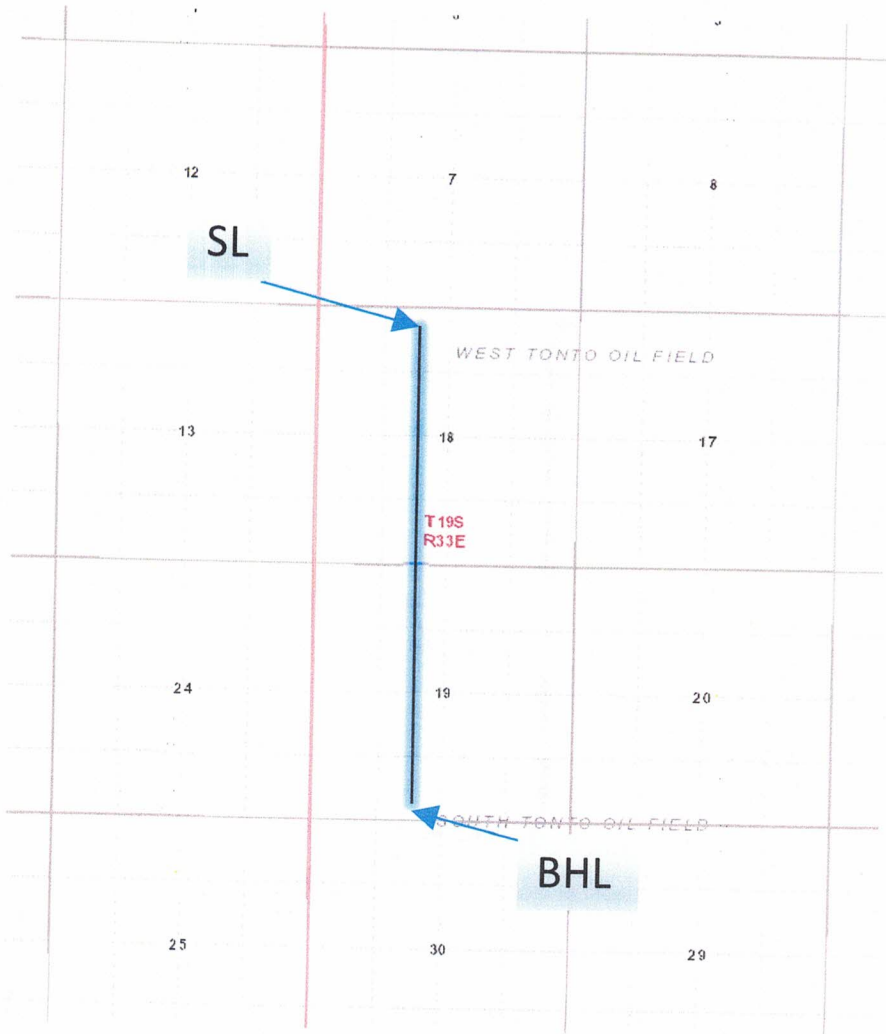


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 N: 606957.6 - E: 733988.5
 LAT: 32.6670105° N
 LONG: 103.7072854° W
BOTTOM HOLE
 N: 596693.6 - E: 733360.4
 LAT: 32.6388096° N
 LONG: 103.7095223° W
CORNER DATA
 NAD 83 GRID - NM EAST
 A: FOUND BRASS CAP "1912"
 N: 596590.7 - E: 732861.2
 B: FOUND BRASS CAP "1912"
 N: 599231.6 - E: 732842.7
 C: FOUND BRASS CAP "1912"
 N: 601873.3 - E: 732824.4
 D: FOUND BRASS CAP "1912"
 N: 604512.0 - E: 732806.5
 E: FOUND BRASS CAP "1912"
 N: 607152.9 - E: 732787.3
 F: FOUND BRASS CAP "1912"
 N: 607174.7 - E: 735495.0
 G: FOUND BRASS CAP "1912"
 N: 607174.0 - E: 738143.2
 H: FOUND BRASS CAP "1912"
 N: 604543.6 - E: 738145.6
 I: FOUND BRASS CAP "1912"
 N: 601902.2 - E: 738156.7
 J: FOUND BRASS CAP "1912"
 N: 599261.5 - E: 738165.9
 K: FOUND BRASS CAP "1912"
 N: 596620.4 - E: 738177.3
 L: FOUND BRASS CAP "1912"
 N: 596606.4 - E: 735536.7
 M: FOUND BRASS CAP "1912"
 N: 601882.6 - E: 735514.5

17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
 Signature: *Bradley Bishop*
 Date: **6-3-20**
 Printed Name: **BRADLEY BISHOP**
 E-mail Address: **BBISHOP@MEWBOURNE.COM**

18 SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
04-1-2020
 Date of Survey
 Signature and Seal of Professional Surveyor
19680
 Certificate Number

**Spanish Bay 18/19 B1CN Fed COM #1H
Sections 18 (E/2W/2) & 19 (E/2W/2), T19S, R33E
LEA COUNTY, NM**



ATTACHMENT A.2

EXHIBIT A

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

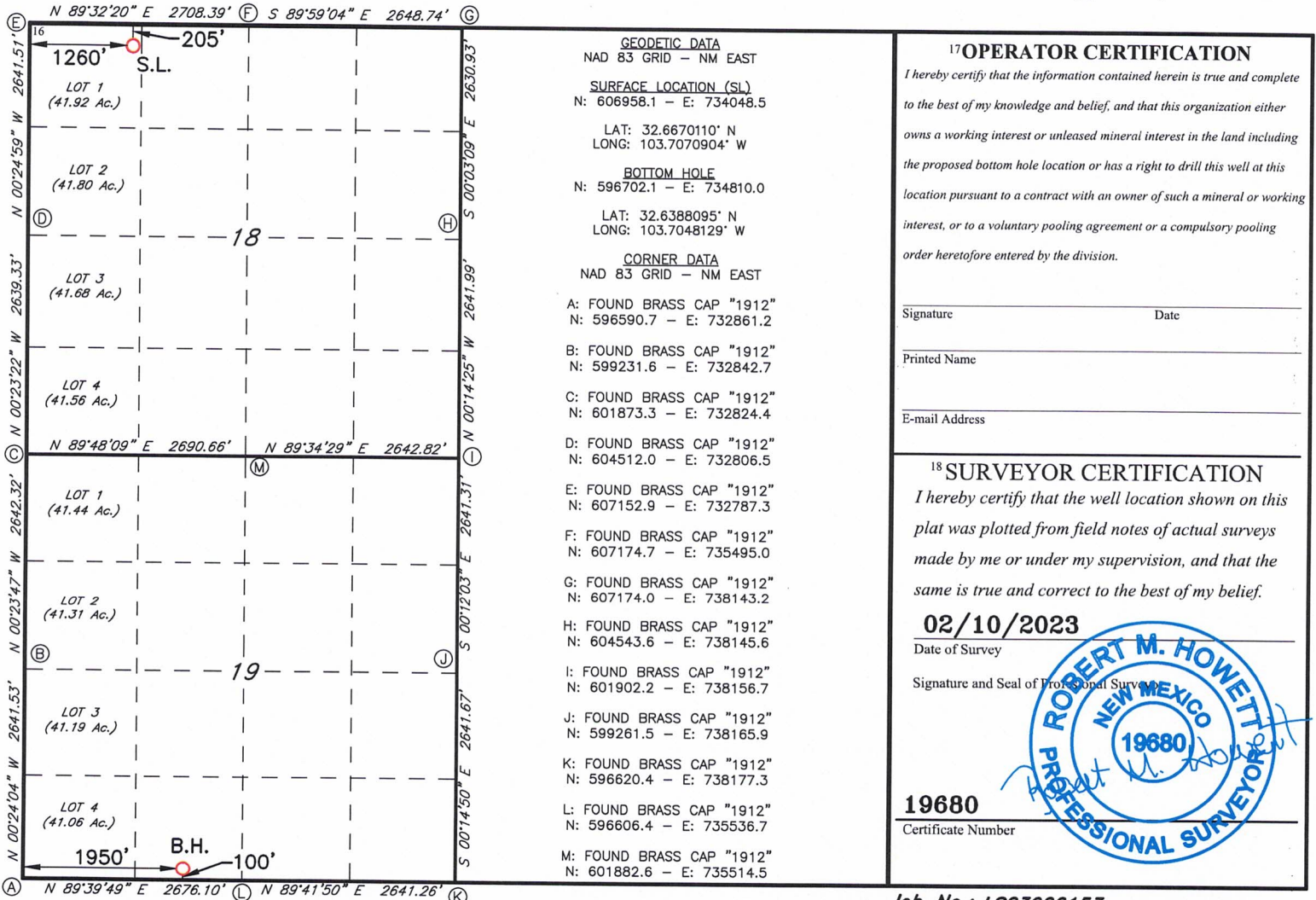
Table with 3 columns: API Number, Pool Code, Pool Name; Property Code, Property Name, Well Number; OGRID NO., Operator Name, Elevation.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet From the, East/West line, County.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 5 columns: Dedicated Acres, Joint or Infill, Consolidation Code, 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.



Job No.: LS23020153

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-10
 Revised August 1, 20
 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

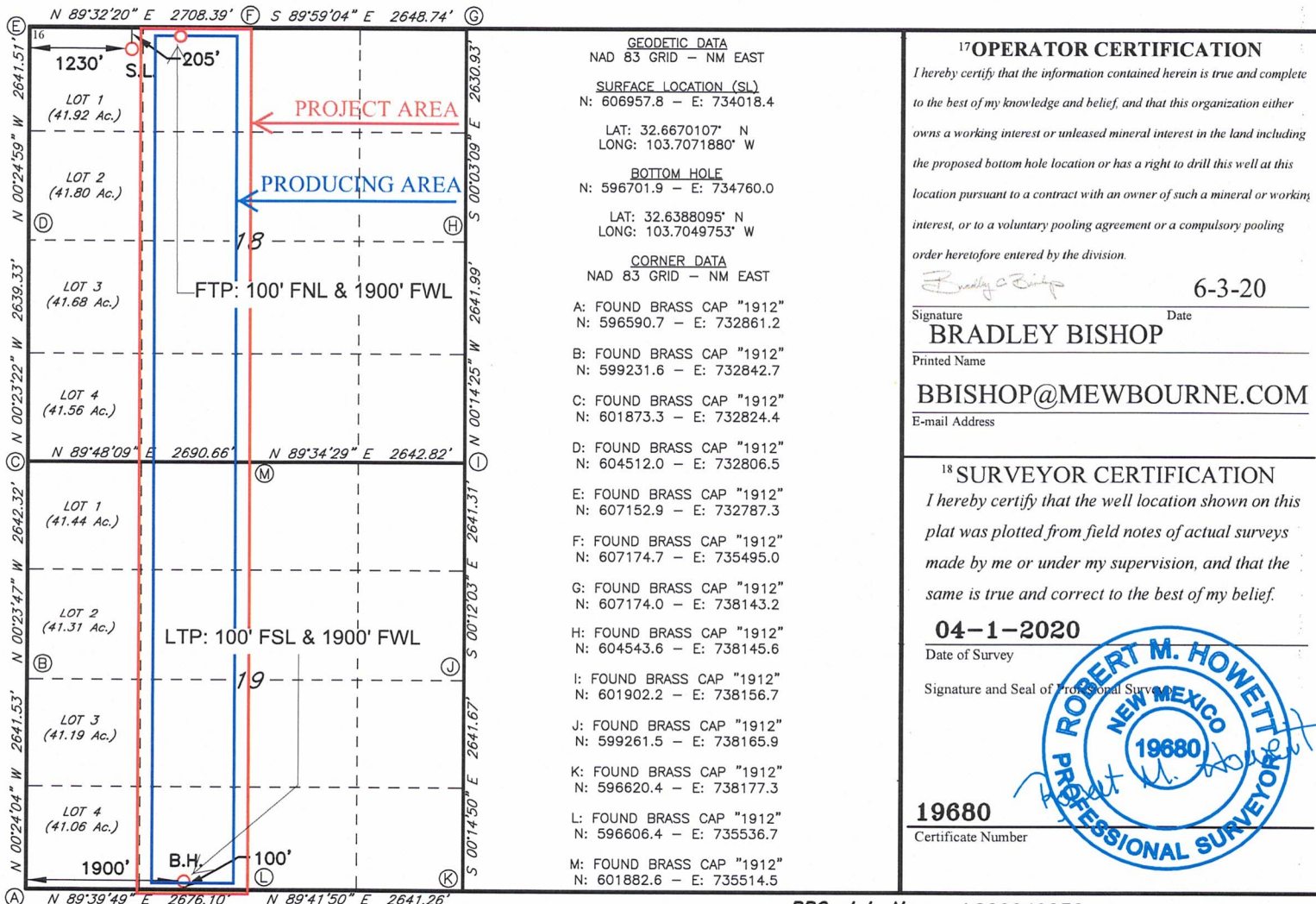
¹ API Number 30-025-49534		² Pool Code 59476		³ Pool Name TONTO;BONE SPRING, SOUTH	
⁴ Property Code 331691		⁵ Property Name SPANISH BAY 18/19 B2CN FED COM			⁶ Well Number 1H
⁷ OGRID NO. 14744		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3644'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
1	18	19S	33E		205	NORTH	1230	WEST	LEA

¹¹ 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
N	19	19S	33E		100	SOUTH	1900	WEST	LEA

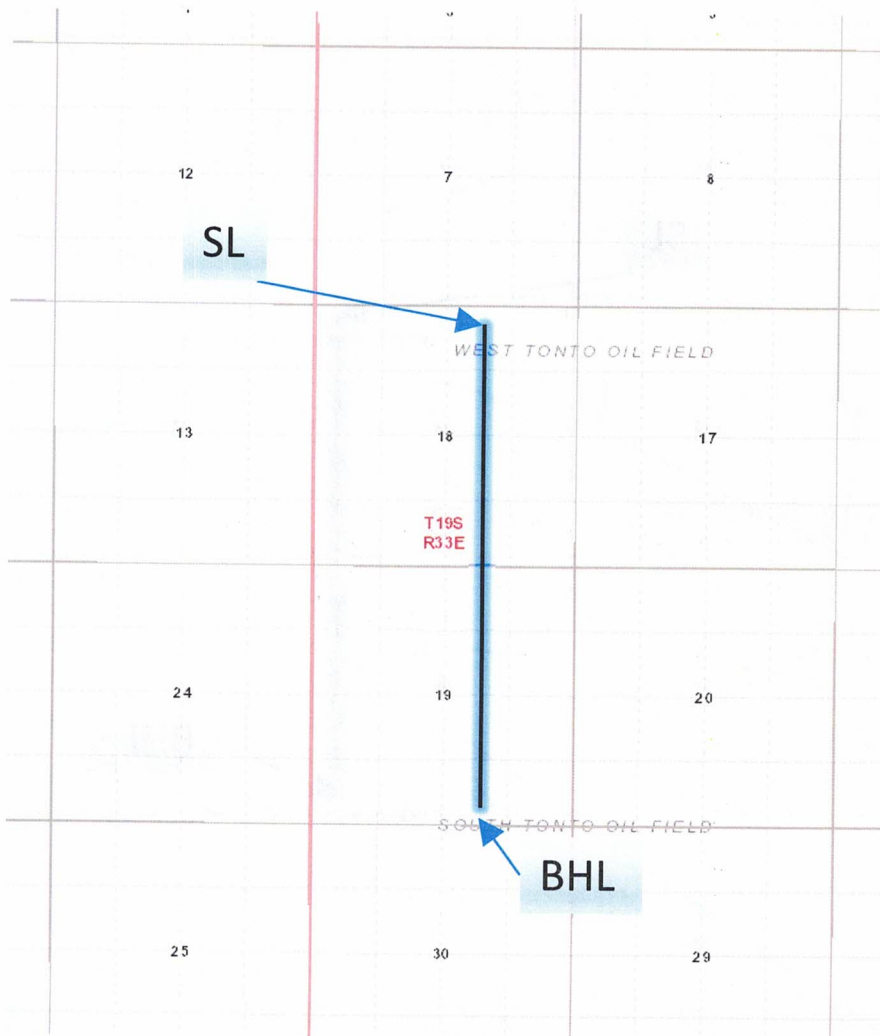
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



RRC-Job No.: LS20040232

**Spanish Bay 18/19 B1BO Fed COM #1H
Sections 18 (W/2E/2) & 19 (W/2E/2), T19S, R33E
LEA COUNTY, NM**



ATTACHMENT A-3

EXHIBIT A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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Phone: (575) 748-1283 Fax: (575) 748-9720
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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

Table with 3 main rows: 1 API Number, 2 Pool Code, 3 Pool Name; 4 Property Code, 5 Property Name (SPANISH BAY 18/19 B1B0 FED COM), 6 Well Number (1H); 7 OGRID NO., 8 Operator Name (MEWBOURNE OIL COMPANY), 9 Elevation (3650')

10 Surface Location

Table with 10 columns: UL or lot no. (A), Section (18), Township (19S), Range (33E), Lot Idn, Feet from the (205), North/South line (NORTH), Feet From the (1260), East/West line (EAST), County (LEA)

11 Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no. (O), Section (19), Township (19S), Range (33E), Lot Idn, Feet from the (100), North/South line (SOUTH), Feet from the (1950), East/West line (EAST), County (LEA)

Table with 5 columns: 12 Dedicated Acres, 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.

Main plat area containing: 16 Lot grid (LOT 1-4, 41.92-41.06 Ac.), GEODETIC DATA, SURFACE LOCATION (SL), BOTTOM HOLE, CORNER DATA (A-M), 17 OPERATOR CERTIFICATION, 18 SURVEYOR CERTIFICATION, and a blue circular seal for Robert M. Howett, Professional Surveyor, New Mexico, 19680.

District I
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
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Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID NO., Operator Name, Elevation.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet From the, East/West line, County.

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, 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.

Main plat area containing lot maps (LOT 1-4), geodetic data, surface location, bottom hole, corner data, operator certification, and surveyor certification.

**Spanish Bay 18/19 B1AP Fed COM #1H
Sections 18 (E/2E/2) & 19 (E/2E/2), T19S, R33E
LEA COUNTY, NM**

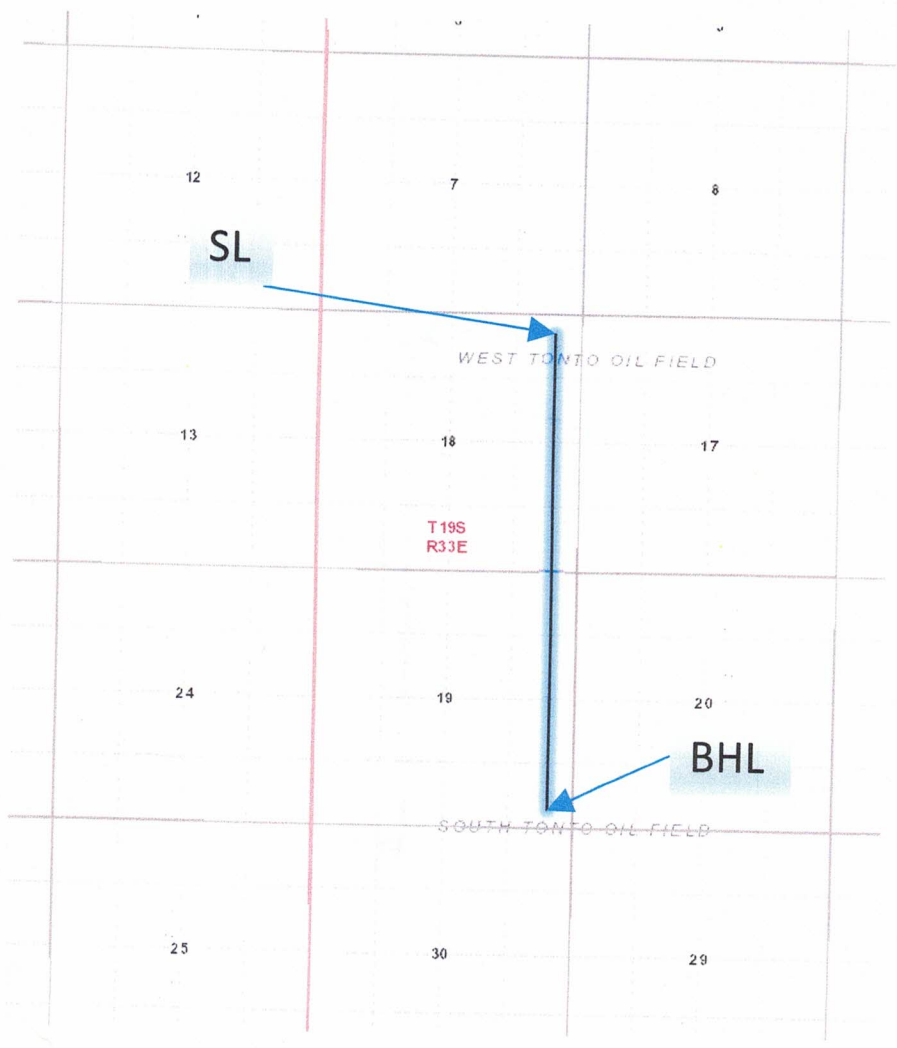


EXHIBIT A

ATTACHMENT *A-4*

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

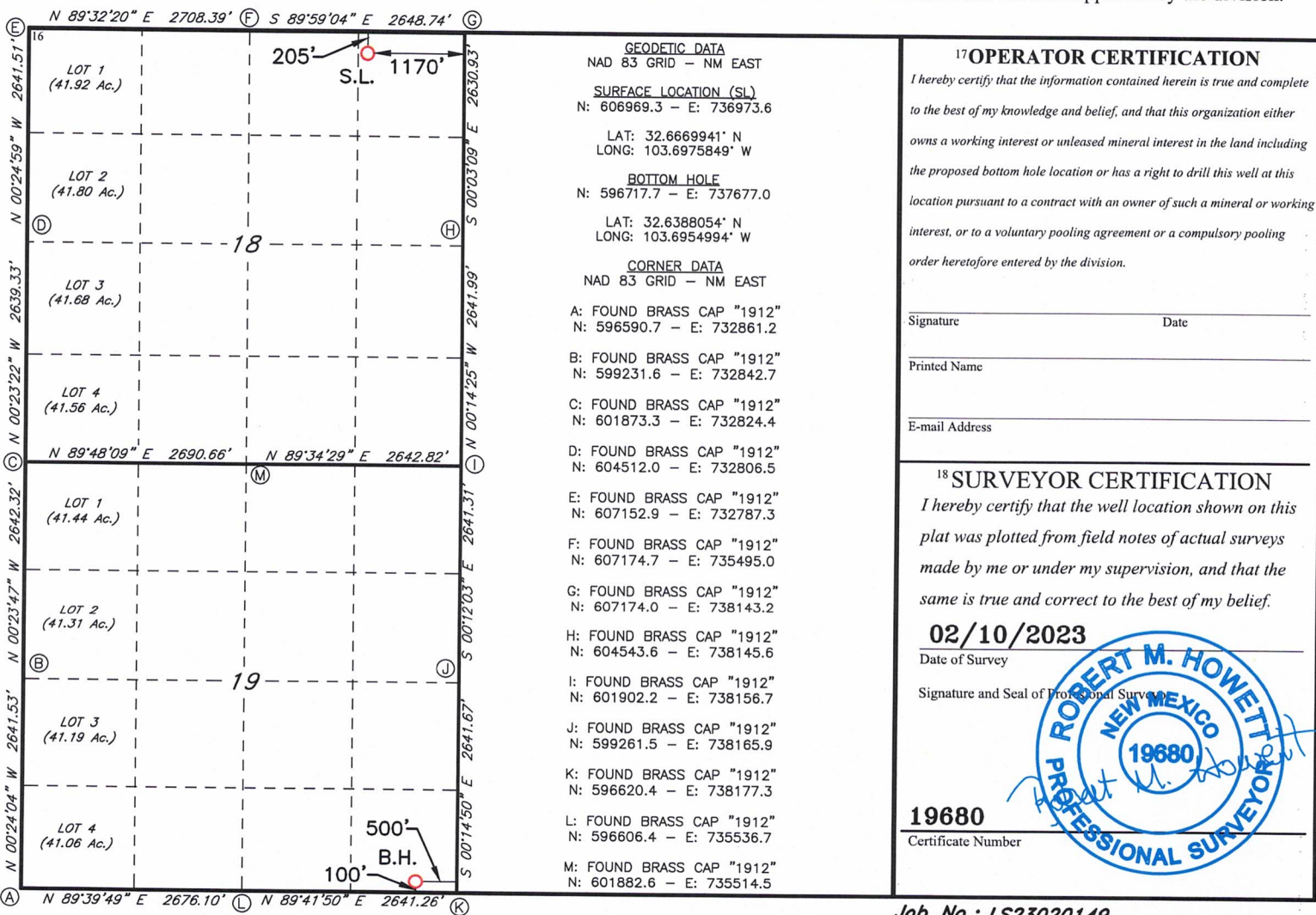
¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SPANISH BAY 18/19 B1AP FED COM			⁶ Well Number 1H
⁷ OGRID NO.		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3649'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
A	18	19S	33E		205	NORTH	1170	EAST	LEA

¹¹ 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
P	19	19S	33E		100	SOUTH	500	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SPANISH BAY 18/19 B2AP FED COM			⁶ Well Number 1H
⁷ OGRID NO.		⁸ Operator Name MEWBOURNE OIL COMPANY			⁹ Elevation 3649'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
A	18	19S	33E		205	NORTH	1200	EAST	LEA

¹¹ 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
P	19	19S	33E		100	SOUTH	500	EAST	LEA

¹² Dedicated Acres	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.

N 89°32'20" E 2708.39' (F) S 89°59'04" E 2648.74' (G)

N 89°48'09" E 2690.66' N 89°34'29" E 2642.82' (M)

N 89°39'49" E 2676.10' (L) N 89°41'50" E 2641.26' (K)

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 606969.4 - E: 736943.6

LAT: 32.6669946° N
LONG: 103.6976824° W

BOTTOM HOLE
N: 596717.7 - E: 737677.0

LAT: 32.6388054° N
LONG: 103.6954994° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1912"
N: 596590.7 - E: 732861.2

B: FOUND BRASS CAP "1912"
N: 599231.6 - E: 732842.7

C: FOUND BRASS CAP "1912"
N: 601873.3 - E: 732824.4

D: FOUND BRASS CAP "1912"
N: 604512.0 - E: 732806.5

E: FOUND BRASS CAP "1912"
N: 607152.9 - E: 732787.3

F: FOUND BRASS CAP "1912"
N: 607174.7 - E: 735495.0

G: FOUND BRASS CAP "1912"
N: 607174.0 - E: 738143.2

H: FOUND BRASS CAP "1912"
N: 604543.6 - E: 738145.6

I: FOUND BRASS CAP "1912"
N: 601902.2 - E: 738156.7

J: FOUND BRASS CAP "1912"
N: 599261.5 - E: 738165.9

K: FOUND BRASS CAP "1912"
N: 596620.4 - E: 738177.3

L: FOUND BRASS CAP "1912"
N: 596606.4 - E: 735536.7

M: FOUND BRASS CAP "1912"
N: 601882.6 - E: 735514.5

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

02/10/2023
Date of Survey

Signature and Seal of Professional Surveyor _____

19680
Certificate Number

Job No.: LS23020151

EXHIBIT C

TRACT OWNERSHIP

Spanish Bay 18/19B1DMFED COM #1H

Spanish Bay 18/19B1CNFED COM #1H

Spanish Bay 18/19B1BOFED COM #1H

Spanish Bay 18/19B1APFED COM #1H

Sections 18&19, T19S, R33E

Lea County, New Mexico

Sections 18&19:Bone Spring formation:

	<u>% Interest</u>
Mewbourne Oil Company, et al 500 West Texas, Ste. 1020 Midland, Texas 79701	52.708334%
*Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston, Texas 76450	17.384710%
Javelina Partners 616 Texas Street Fort Worth, Texas 76102	8.728073%
Zorro Partners, Ltd. 616 Texas Street Fort Worth, Texas 76102	8.728073%
*OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, Texas 76450	3.216818%
*COG Operating LLC 600 W. Illinois Avenue Midland, Texas 79701	3.139610%
*ZPZ Delaware I LLC 2000 Post Oak Boulevard, Suite 100 Houston, Texas 77056	3.096071%
*Delmar Hudson Lewis Living Trust Bank of America (Trustee) P.O. Box 830308 Dallas, Texas 75283	2.696932%

ATTACHMENT

B

EXHIBIT C

Ard Oil LTD. 2.579973%
P.O. Box 101027
Fort Worth, Texas 76185

Moore and Shelton Company, Inc. 1.683634%
P.O. Box 3070
Galveston, Texas 77552

*Josephine T Hudson Testamentary Trust 0.632686%
Frost Bank, (Trustee)
P.O. Box 1600
San Antonio, Texas 78296

*Earthstone Energy, Inc. 0.343789%
1400 Woodloch Forest Dr., Suite 300
The Woodlands, Texas 77380

100.000000%

***Total interest being pooled: 30.510616%**

Exhibit D

Summary of Communications

Spanish Bay 18/19 B1DM FED COM #1H

Spanish Bay 18/19 B1CN FED COM #1H

Spanish Bay 18/19 B1BO FED COM #1H

Spanish Bay 18/19 B1AP FED COM #1H

Occidental Permian Limited Partnership, OXY USA Inc.

- 1) 05/05/2021 – Well proposals and AFE's are sent via electronic mail.
- 2) 05/18/2021 – Phone call with Clay Carroll to discuss the prospect and development plans.
- 3) 06/02/2021 – Email to Clay Carroll to follow up on our previous discussions.
- 4) 08/05/2021 – Email to Clay Carroll to discuss ownership and farmout status of acreage.
- 5) 02/03/2022 – Email to Clay Carroll to further discuss ownership and farmout status of acreage.
- 6) 03/30/2022 – Email to Clay Carroll to further discuss stipulations, ownership and farmout.
- 7) 10/24/2022 – Email to Clay Carroll to further discuss stipulations, ownership and farmout.
- 8) 02/16/2023 – Email from Clay Carroll with suggested JOA changes.
- 9) 03/07/2023 – Email detailing OXY ownership in proposed unit.

COG Operating, LLC

- 1) 05/05/2021 – Well proposals and AFE's are sent via electronic mail.
- 2) 05/12/2021 – Email Baylor Mitchell to discuss proposals and development plans.
- 3) 08/31/2021 – Email Baylor Mitchell discussing COG ownership in the proposed unit.
- 4) 09/07/2021 – Email Baylor Mitchell negotiating the Joint Operating Agreement.
- 5) 10/13/2021 – Email Baylor Mitchell to further negotiate the Joint Operating Agreement.
- 6) 6/14/2022 – Emailed answers to Baylor Mitchell about the well proposals.
- 7) 10/25/2022 – Emailed for an update on status.
- 8) 1/10/2023 – Phone call to discuss next steps and discuss pooling.
- 9) 2/9/2023 – JOA negotiations continue to be discussed.

ZPZ Delaware I, LLC

- 1) 02/08/2022 – Well proposals and AFE's are sent via electronic mail.
- 2) 02/16/2022 – Emailed Leslie Mullen regarding questions about the proposed unit.
- 3) 4/26/2022 – Emailed Leslie Mullen to discuss the pooling process and unit ownership.
- 4) 05/03/2022 – Emailed Leslie Mullen to answer questions about pooling and other partners in the unit.
- 5) 1/30/2023 – Emailed Leslie Mullen to discuss JOA status and other partners status.

Delmar Hudson Lewis Living Trust

- 1) 05/05/2021 – Well proposals and AFE's are sent via certified mail.
- 2) 8/22/2022 – Emailed Benjamin Browning (executor of the trust) and discussed possible term assignment details.
- 3) 8/25/2022 – Called and emailed Benjamin Browning and negotiated the term assignment details.

Exhibit D

- 4) 8/31/2022 - Emailed and negotiated term assignment details.
- 5) 9/15/2022 – Followed up via email on the term assignment.

Earthstone Energy, Inc.

- 1) 05/05/2021 – Well proposals and AFE's are sent via electronic mail.
- 2) 10/27/21 – Emailed to discuss unit ownership and competing proposals.
- 3) 12/27/2021 – Emailed discussing the pooling process and title.
- 4) 01/10/2022 – Emailed to discussing next steps in forming the unit.
- 5) 03/05/2022 – Emailed and called Derek Webb about change of ownership from Chisholm to Earthstone Energy.
- 6) 05/10/2022 –Emailed Derek Webb to discuss unit ownership and farmout status with OXY.
- 7) 10/24/2022 – Emailed Derek Webb and Matt Solomon about JOA.
- 8) 02/27/2023 – Emailed Matt Solomon to discuss suggested changes to the JOA.

MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020
Midland, Texas 79701
Phone (432) 682-3715
Fax (432) 685-4170

May 5, 2021

Via Electronic Mail

Occidental Permian Limited Partnership
5 Greenway Plaza, Suite 110
Houston, Texas 76450

Re: **Spanish Bay 18-19 Unit**
Sections 18 & 19, T19S, R33E
Lea County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (“Mewbourne”) as Operator hereby proposes to form a 1291.96-acre Unit covering all of the above captioned acreage in Sections 18 & 19 for oil and gas production. Our title shows that Occidental Permian Limited Partnership (“OXY”) owns a 17.384710% interest in the proposed Unit.

Mewbourne Oil Company hereby proposes drilling the following wells:

SPANISH BAY 18/19 B1CN FED COM #1H

Surface Location: 205’ FNL & 1260’ FEL, Sec. 18
Bottom Hole Location: 100’ FSL & 1950’ FWL, Sec. 19
Proposed Total Vertical Depth: 9125’
Proposed Total Measured Depth: 18975’
Target: 1st Bone Spring

SPANISH BAY 18/19 B1DM FED COM #1H

Surface Location: 205’ FNL & 1170’ FWL, Sec. 18
Bottom Hole Location: 100’ FSL & 100’ FWL, Sec. 19
Proposed Total Vertical Depth: 9123’
Proposed Total Measured Depth: 18972’
Target: 1st Bone Spring

SPANISH BAY 18/19 B2AP FED COM #1H

Surface Location: 205’ FNL & 1200’ FEL, Sec. 18
Bottom Hole Location: 100’ FSL & 500’ FEL, Sec. 19
Proposed Total Vertical Depth: 9950’
Proposed Total Measured Depth: 19850’
Target: 2nd Bone Spring

SPANISH BAY 18/19 B2BO FED COM #1H

Surface Location: 205’ FNL & 1230’ FEL, Sec. 18
Bottom Hole Location: 100’ FSL & 1900’ FEL, Sec. 19
Proposed Total Vertical Depth: 9123’
Proposed Total Measured Depth: 18972’
Target: 2nd Bone Spring

SPANISH BAY 18/19 B2CN FED COM #1H

Surface Location: 205’ FNL & 1230’ FWL, Sec. 18
Bottom Hole Location: 100’ FSL & 1900’ FWL, Sec. 19
Proposed Total Vertical Depth: 9942’
Proposed Total Measured Depth: 19846’
Target: 2nd Bone Spring

SPANISH BAY 18/19 B2DM FED COM #1H

Surface Location: 205’ FNL & 1200’ FWL, Sec. 18
Bottom Hole Location: 100’ FSL & 500’ FWL, Sec. 19
Proposed Total Vertical Depth: 9943’
Proposed Total Measured Depth: 19839’
Target: 2nd Bone Spring

SPANISH BAY 18/19 B1BO FED COM #1H

Surface Location: 205’ FNL & 1260’ FEL, Sec. 18
Bottom Hole Location: 100’ FSL & 1950’ FEL, Sec. 19
Proposed Total Vertical Depth: 9125’
Proposed Total Measured Depth: 18975’
Target: 1st Bone Spring

SPANISH BAY 18/19 B1AP FED COM #1H

Surface Location: 205’ FNL & 1170’ FEL, Sec. 18
Bottom Hole Location: 100’ FSL & 500’ FEL, Sec. 19
Proposed Total Vertical Depth: 9125’
Proposed Total Measured Depth: 18975’
Target: 1st Bone Spring

Regarding the above enclosed for your further handling is our AFE dated May 3, 2021 for the above referenced proposed well. In the event OXY elects to participate in the proposed WIU and

wells, please execute the enclosed AFE and return to me within thirty (30) days. Our Operating Agreement to follow.

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

Very truly yours,



Carson Cullen
Landman
Mewbourne Oil Company

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE				
Well Name: SPANISH BAY 18/19 B1DM FED COM #1H		Prospect: _____		
Location: SL: 205 FNL & 1170 FWL (18); BHL: 100 FSL & 500 FWL (19)		County: Lea		ST: NM
Sec. 18	Blk: _____	Survey: _____	TWP: 19S	RNG: 33E Prop. TVD: 9123 TMD: 18972
INTANGIBLE COSTS 0180				
Description	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling 28 days drlg / 3 days comp @ \$19500/d	0180-0110	\$583,100	0180-0210	\$62,500
Fuel 1700 gal/day @ \$3/gal	0180-0114	\$152,500	0180-0214	\$369,000
Alternate Fuels	0180-0115		0180-0215	
Mud, Chemical & Additives	0180-0120	\$70,000	0180-0220	
Mud - Specialized	0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,000
Stimulation Toe Preparation			0180-0223	\$30,000
Cementing	0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services	0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services	0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging	0180-0137	\$35,000		
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,450,000
Stimulation Rentals & Other			0180-0242	\$200,000
Water & Other	0180-0145	\$35,000	0180-0245	\$350,000
Bits	0180-0148	\$117,500	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	\$120,000		
Transportation	0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision	0180-0170	\$55,500	0180-0270	\$40,000
Directional Services Includes Vertical Control	0180-0175	\$385,000		
Equipment Rental	0180-0180	\$210,000	0180-0280	\$15,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$5,000	0180-0285	
Intangible Supplies	0180-0188	\$7,000	0180-0288	\$1,000
Damages	0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$198,500	0180-0295	\$70,500
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 2% (TCP) 2% (CC)	0180-0199	\$51,808	0180-0299	\$66,550
TOTAL		\$2,642,208		\$3,394,050
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft	0181-0794	\$54,600		
Casing (8.1" - 10.0") 5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft	0181-0795	\$111,700		
Casing (6.1" - 8.0") 9200' - 7" 29# HCP-110 LT&C @ \$27/ft	0181-0796	\$265,300		
Casing (4.1" - 6.0") 10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft			0181-0797	\$166,600
Tubing 8270' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft			0181-0798	\$69,100
Drilling Head	0181-0860	\$35,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift			0181-0880	\$25,000
Pumping Unit Systems			0181-0885	
Service Pumps (1/4) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks (1/4) 6 OT/5 WT/GB			0181-0890	\$75,000
Emissions Control Equipment (1/4) VRT's/VRU/Flare/KO's			0181-0892	\$90,000
Separation / Treating Equipment (1/4) H sep/V sep/HT			0181-0895	\$60,000
Automation Metering Equipment			0181-0898	\$62,500
Line Pipe & Valves - Gathering (1/2) .5 mile gas & water			0181-0900	\$30,000
Fittings / Valves & Accessories			0181-0906	\$175,000
Cathodic Protection			0181-0908	\$7,500
Electrical Installation			0181-0909	\$100,000
Equipment Installation			0181-0910	\$80,000
Pipeline Construction (1/2) .5 mile gas & water			0181-0920	\$50,000
TOTAL		\$466,600		\$1,075,700
SUBTOTAL		\$3,108,808		\$4,469,750
TOTAL WELL COST		\$7,578,558		
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.				
Prepared by: T. Cude		Date: 5/3/2021		
Company Approval: _____		Date: _____		
Joint Owner Interest: 0.09764750% Amount: \$7,400.27				
Joint Owner Name: Josephine T. Hudson Testamentary Trust		Signature: _____		

ATTACHMENT D-1

MEWBOURNE OIL COMPANY					
AUTHORIZATION FOR EXPENDITURE					
Well Name: SPANISH BAY 18/19 B2DM FED COM #1H		Prospect: _____			
Location: SL: 205 FNL & 1200 FWL (18); BHL: 100 FSL & 500 FWL (19)		County: Lea		ST: NM	
Sec. 18	Blk: _____	Survey: _____	TWP: 19S	RNG: 33E	Prop. TVD: 9943 TMD: 19839
INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling 30 days drlg / 3 days comp @ \$19500/d		0180-0110	\$624,800	0180-0210	\$62,500
Fuel 1700 gal/day @ \$3/gal		0180-0114	\$163,400	0180-0214	\$369,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$70,000	0180-0220	
Mud - Specialized		0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services		0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging		0180-0137	\$35,000		
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb				0180-0241	\$1,450,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$35,000	0180-0245	\$350,000
Bits		0180-0148	\$117,500	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	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$55,500	0180-0270	\$40,000
Directional Services Includes Vertical Control		0180-0175	\$434,000		
Equipment Rental		0180-0180	\$239,200	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$225,000	0180-0295	\$70,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$54,954	0180-0299	\$66,550
TOTAL			\$2,802,654		\$3,394,050
TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft		0181-0794	\$54,600		
Casing (8.1" - 10.0") 5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft		0181-0795	\$111,700		
Casing (6.1" - 8.0") 10100' - 7" 29# HCP-110 LT&C @ \$27/ft		0181-0796	\$291,200		
Casing (4.1" - 6.0") 10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft				0181-0797	\$166,600
Tubing 9120' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft				0181-0798	\$76,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps (1/4) TP/CP/Circ pump				0181-0886	\$5,000
Storage Tanks (1/4) 6 OT/5 WT/GB				0181-0890	\$75,000
Emissions Control Equipment (1/4) VRT's/VRU/Flare/KO's				0181-0892	\$90,000
Separation / Treating Equipment (1/4) H sep/V sep/HT				0181-0895	\$60,000
Automation Metering Equipment				0181-0898	\$62,500
Line Pipe & Valves - Gathering (1/2) .5 mile gas & water				0181-0900	\$30,000
Fittings / Valves & Accessories				0181-0906	\$175,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$100,000
Equipment Installation				0181-0910	\$80,000
Pipeline Construction (1/2) .5 mile gas & water				0181-0920	\$50,000
TOTAL			\$492,500		\$1,082,800
SUBTOTAL			\$3,295,154		\$4,476,850
TOTAL WELL COST		\$7,772,004			
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.					
Prepared by: T. Cude		Date: 5/3/2021			
Company Approval: _____		Date: _____			
Joint Owner Interest: 0.97647500% Amount: \$75,891.68					
Joint Owner Name: Josephine T. Hudson Testamentary Trust		Signature: _____			

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: **SPANISH BAY 18/19 B1CN FED COM #1H** Prospect: _____
 Location: **SL: 205 FNL & 1260 FWL (18); BHL: 100 FSL & 1950 FWL (19)** County: **Lea** ST: **NM**
 Sec. **18** Blk: _____ Survey: _____ TWP: **19S** RNG: **33E** Prop. TVD: **9125** TMD: **18975**

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling	28 days drlg / 3 days comp @ \$19500/d	0180-0110	\$583,100	0180-0210	\$62,500
Fuel	1700 gal/day @ \$3/gal	0180-0114	\$152,500	0180-0214	\$369,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$70,000	0180-0220	
Mud - Specialized		0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services		0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging		0180-0137	\$35,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,450,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$35,000	0180-0245	\$350,000
Bits		0180-0148	\$117,500	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	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$55,500	0180-0270	\$40,000
Directional Services	Includes Vertical Control	0180-0175	\$385,000		
Equipment Rental		0180-0180	\$210,000	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$198,500	0180-0295	\$70,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	2% (TCP) 2% (CC)	0180-0199	\$51,808	0180-0299	\$66,550
TOTAL			\$2,642,208		\$3,394,050

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft	0181-0794	\$54,600		
Casing (8.1" - 10.0")	5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft	0181-0795	\$111,700		
Casing (6.1" - 8.0")	9200' - 7" 29# HCP-110 LT&C @ \$27/ft	0181-0796	\$265,300		
Casing (4.1" - 6.0")	10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft			0181-0797	\$166,600
Tubing	8270' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft			0181-0798	\$69,100
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps	(1/4) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/4) 6 OT/5 WT/GB			0181-0890	\$75,000
Emissions Control Equipment	(1/4) VRT's/VRU/Flare/KO's			0181-0892	\$90,000
Separation / Treating Equipment	(1/4) H sep/V sep/HT			0181-0895	\$60,000
Automation Metering Equipment				0181-0898	\$62,500
Line Pipe & Valves - Gathering	(1/2) .5 mile gas & water			0181-0900	\$30,000
Fittings / Valves & Accessories				0181-0906	\$175,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$100,000
Equipment Installation				0181-0910	\$80,000
Pipeline Construction	(1/2) .5 mile gas & water			0181-0920	\$50,000
TOTAL			\$466,600		\$1,075,700
SUBTOTAL			\$3,108,808		\$4,469,750

TOTAL WELL COST \$7,578,558

Extra Expense Insurance

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

I elect to purchase my own well control insurance policy.

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

Prepared by: T. Cude Date: 5/3/2021
 Company Approval: _____ Date: _____

Joint Owner Interest: 0.97647500% Amount: \$74,002.72
 Joint Owner Name: Josephine T. Hudson Testamentary Trust Signature: _____

ATTACHMENT D-2

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Well Name: **SPANISH BAY 18/19 B2CN FED COM #1H** Prospect: _____
 Location: **SL: 205 FNL & 1230 FWL (18); BHL: 100 FSL & 1900 FWL (19)** County: **Lea** ST: **NM**
 Sec. **18** Blk: _____ Survey: _____ TWP: **19S** RNG: **33E** Prop. TVD: **9942** TMD: **19846**

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling	30 days drlg / 3 days comp @ \$19500/d	0180-0110	\$624,800	0180-0210	\$62,500
Fuel	1700 gal/day @ \$3/gal	0180-0114	\$163,400	0180-0214	\$369,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$70,000	0180-0220	
Mud - Specialized		0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services		0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging		0180-0137	\$35,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,450,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$35,000	0180-0245	\$350,000
Bits		0180-0148	\$117,500	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	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$55,500	0180-0270	\$40,000
Directional Services	Includes Vertical Control	0180-0175	\$434,000		
Equipment Rental		0180-0180	\$239,200	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$225,000	0180-0295	\$70,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	2% (TCP) 2% (CC)	0180-0199	\$54,954	0180-0299	\$66,550
TOTAL			\$2,802,654		\$3,394,050

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft	0181-0794	\$54,600		
Casing (8.1" - 10.0")	5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft	0181-0795	\$111,700		
Casing (6.1" - 8.0")	10100' - 7" 29# HCP-110 LT&C @ \$27/ft	0181-0796	\$291,200		
Casing (4.1" - 6.0")	10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft			0181-0797	\$166,600
Tubing	9120' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft			0181-0798	\$76,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps	(1/4) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/4) 6 OT/5 WT/GB			0181-0890	\$75,000
Emissions Control Equipment	(1/4) VRT's/VRU/Flare/KO's			0181-0892	\$90,000
Separation / Treating Equipment	(1/4) H sep/V sep/HT			0181-0895	\$60,000
Automation Metering Equipment				0181-0898	\$62,500
Line Pipe & Valves - Gathering	(1/2) .5 mile gas & water			0181-0900	\$30,000
Fittings / Valves & Accessories				0181-0906	\$175,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$100,000
Equipment Installation				0181-0910	\$80,000
Pipeline Construction	(1/2) .5 mile gas & water			0181-0920	\$50,000
TOTAL			\$492,500		\$1,082,800
SUBTOTAL			\$3,295,154		\$4,476,850

TOTAL WELL COST \$7,772,004

Extra Expense Insurance

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

I elect to purchase my own well control insurance policy.

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

Prepared by: T. Cude Date: 5/3/2021
 Company Approval: _____ Date: _____

Joint Owner Interest: 0.97647500% Amount: \$75,891.68
 Joint Owner Name: Josephine T. Hudson Testamentary Trust Signature: _____

MEWBORNE OIL COMPANY					
AUTHORIZATION FOR EXPENDITURE					
Well Name: SPANISH BAY 18/19 B1BO FED COM #1H		Prospect: _____			
Location: SL: 205 FNL & 1260 FEL (18); BHL: 100 FSL & 1950 FEL (19)		County: Lea		ST: NM	
Sec. 18	Blk: _____	Survey: _____	TWP: 19S	RNG: 33E Prop. TVD: 9125 TMD: 18975	
INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling 28 days drlg / 3 days comp @ \$19500/d		0180-0110	\$583,100	0180-0210	\$62,500
Fuel 1700 gal/day @ \$3/gal		0180-0114	\$152,500	0180-0214	\$369,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$70,000	0180-0220	
Mud - Specialized		0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services		0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging		0180-0137	\$35,000		
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb				0180-0241	\$1,450,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$35,000	0180-0245	\$350,000
Bits		0180-0148	\$117,500	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	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$55,500	0180-0270	\$40,000
Directional Services Includes Vertical Control		0180-0175	\$385,000		
Equipment Rental		0180-0180	\$210,000	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$198,500	0180-0295	\$70,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 2% (TCP) 2% (CC)		0180-0199	\$51,808	0180-0299	\$66,550
TOTAL			\$2,642,208		\$3,394,050
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft		0181-0794	\$54,600		
Casing (8.1" - 10.0") 5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft		0181-0795	\$111,700		
Casing (6.1" - 8.0") 9200' - 7" 29# HCP-110 LT&C @ \$27/ft		0181-0796	\$265,300		
Casing (4.1" - 6.0") 10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft				0181-0797	\$166,600
Tubing 8270' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft				0181-0798	\$69,100
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger				0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps (1/4) TP/CP/Circ pump				0181-0886	\$5,000
Storage Tanks (1/4) 6 OT/5 WT/GB				0181-0890	\$75,000
Emissions Control Equipment (1/4) VRT's/VRU/Flare/KO's				0181-0892	\$90,000
Separation / Treating Equipment (1/4) H sep/V sep/HT				0181-0895	\$60,000
Automation Metering Equipment				0181-0898	\$62,500
Line Pipe & Valves - Gathering (1/2) .5 mile gas & water				0181-0900	\$30,000
Fittings / Valves & Accessories				0181-0906	\$175,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$100,000
Equipment Installation				0181-0910	\$80,000
Pipeline Construction (1/2) .5 mile gas & water				0181-0920	\$50,000
TOTAL			\$466,600		\$1,075,700
SUBTOTAL			\$3,108,808		\$4,469,750
TOTAL WELL COST			\$7,578,558		
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.					
Prepared by: T. Cude		Date: 5/3/2021			
Company Approval: _____		Date: _____			
Joint Owner Interest: 0.97647500% Amount: \$74,002.72					
Joint Owner Name: Josephine T. Hudson Testamentary Trust		Signature: _____			

ATTACHMENT D-3

MEWBORNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Well Name: **SPANISH BAY 18/19 B2BO FED COM #1H** Prospect: _____
 Location: **SL: 205 FNL & 1230 FEL (18); BHL: 100 FSL & 1900 FEL (19)** County: **Lea** ST: **NM**
 Sec. **18** Blk: _____ Survey: _____ TWP: **19S** RNG: **33E** Prop. TVD: **9950** TMD: **19850**

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling	30 days drlg / 3 days comp @ \$19500/d	0180-0110	\$624,800	0180-0210	\$62,500
Fuel	1700 gal/day @ \$3/gal	0180-0114	\$163,400	0180-0214	\$369,000
Alternate Fuels		0180-0115		0180-0215	
Mud, Chemical & Additives		0180-0120	\$70,000	0180-0220	
Mud - Specialized		0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services				0180-0222	\$200,000
Stimulation Toe Preparation				0180-0223	\$30,000
Cementing		0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services		0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services		0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging		0180-0137	\$35,000		
Stimulation	51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,450,000
Stimulation Rentals & Other				0180-0242	\$200,000
Water & Other		0180-0145	\$35,000	0180-0245	\$350,000
Bits		0180-0148	\$117,500	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	\$120,000		
Transportation		0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services		0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision		0180-0170	\$55,500	0180-0270	\$40,000
Directional Services	Includes Vertical Control	0180-0175	\$434,000		
Equipment Rental		0180-0180	\$239,200	0180-0280	\$15,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$7,000	0180-0288	\$1,000
Damages		0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements		0180-0192		0180-0292	\$5,000
Company Supervision		0180-0195	\$225,000	0180-0295	\$70,500
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Contingencies	2% (TCP) 2% (CC)	0180-0199	\$54,954	0180-0299	\$66,550
TOTAL			\$2,802,654		\$3,394,050
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft	0181-0794	\$54,600		
Casing (8.1" - 10.0")	5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft	0181-0795	\$111,700		
Casing (6.1" - 8.0")	10100' - 7" 29# HCP-110 LT&C @ \$27/ft	0181-0796	\$291,200		
Casing (4.1" - 6.0")	10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft			0181-0797	\$166,600
Tubing	9120' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft			0181-0798	\$76,200
Drilling Head		0181-0860	\$35,000		
Tubing Head & Upper Section				0181-0870	\$30,000
Horizontal Completion Tools	Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift				0181-0880	\$25,000
Pumping Unit Systems				0181-0885	
Service Pumps	(1/4) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks	(1/4) 6 QT/5 WT/GB			0181-0890	\$75,000
Emissions Control Equipment	(1/4) VRT's/VRU/Flare/KO's			0181-0892	\$90,000
Separation / Treating Equipment	(1/4) H sep/V sep/HT			0181-0895	\$60,000
Automation Metering Equipment				0181-0898	\$62,500
Line Pipe & Valves - Gathering	(1/2) .5 mile gas & water			0181-0900	\$30,000
Fittings / Valves & Accessories				0181-0906	\$175,000
Cathodic Protection				0181-0908	\$7,500
Electrical Installation				0181-0909	\$100,000
Equipment Installation				0181-0910	\$80,000
Pipeline Construction	(1/2) .5 mile gas & water			0181-0920	\$50,000
TOTAL			\$492,500		\$1,082,800
SUBTOTAL			\$3,295,154		\$4,476,850
TOTAL WELL COST					\$7,772,004

Extra Expense Insurance

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

I elect to purchase my own well control insurance policy.

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

Prepared by: T. Cude Date: 5/3/2021

Company Approval: _____ Date: _____

Joint Owner Interest: 0.97647500% Amount: \$75,891.68

Joint Owner Name: Josephine T. Hudson Testamentary Trust Signature: _____

MEWBOURNE OIL COMPANY					
AUTHORIZATION FOR EXPENDITURE					
Well Name: SPANISH BAY 18/19 B1AP FED COM #1H		Prospect: _____			
Location: SL: 205 FNL & 1170 FEL (18); BHL: 100 FSL & 500 FEL (19)		County: Lea		ST: NM	
Sec. 18	Blk: _____	Survey: _____	TWP: 19S	RNG: 33E	Prop. TVD: 9125 TMD: 18975
INTANGIBLE COSTS 0180			CODE	TCP	CODE CC
Regulatory Permits & Surveys			0180-0100	\$20,000	0180-0200
Location / Road / Site / Preparation			0180-0105	\$65,000	0180-0205 \$25,000
Location / Restoration			0180-0106	\$200,000	0180-0206 \$25,000
Daywork / Turnkey / Footage Drilling 28 days drtg / 3 days comp @ \$19500/d			0180-0110	\$583,100	0180-0210 \$62,500
Fuel 1700 gal/day @ \$3/gal			0180-0114	\$152,500	0180-0214 \$369,000
Alternate Fuels			0180-0115		0180-0215
Mud, Chemical & Additives			0180-0120	\$70,000	0180-0220
Mud - Specialized			0180-0121	\$110,000	0180-0221
Horizontal Drillout Services					0180-0222 \$200,000
Stimulation Toe Preparation					0180-0223 \$30,000
Cementing			0180-0125	\$80,000	0180-0225 \$35,000
Logging & Wireline Services			0180-0130	\$2,300	0180-0230 \$290,000
Casing / Tubing / Snubbing Services			0180-0134	\$18,000	0180-0234 \$40,000
Mud Logging			0180-0137	\$35,000	
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb					0180-0241 \$1,450,000
Stimulation Rentals & Other					0180-0242 \$200,000
Water & Other			0180-0145	\$35,000	0180-0245 \$350,000
Bits			0180-0148	\$117,500	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	\$120,000	
Transportation			0180-0165	\$30,000	0180-0265 \$20,000
Welding, Construction & Maint. Services			0180-0168	\$4,000	0180-0268 \$15,000
Contract Services & Supervision			0180-0170	\$55,500	0180-0270 \$40,000
Directional Services Includes Vertical Control			0180-0175	\$385,000	
Equipment Rental			0180-0180	\$210,000	0180-0280 \$15,000
Well / Lease Legal			0180-0184	\$5,000	0180-0284
Well / Lease Insurance			0180-0185	\$5,000	0180-0285
Intangible Supplies			0180-0188	\$7,000	0180-0288 \$1,000
Damages			0180-0190	\$10,000	0180-0290 \$10,000
Pipeline Interconnect, ROW Easements			0180-0192		0180-0292 \$5,000
Company Supervision			0180-0195	\$198,500	0180-0295 \$70,500
Overhead Fixed Rate			0180-0196	\$10,000	0180-0296 \$20,000
Contingencies 2% (TCP) 2% (CC)			0180-0199	\$51,808	0180-0299 \$66,550
TOTAL				\$2,642,208	\$3,394,050
TANGIBLE COSTS 0181					
Casing (19.1" - 30")			0181-0793		
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft			0181-0794	\$54,600	
Casing (8.1" - 10.0") 5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft			0181-0795	\$111,700	
Casing (6.1" - 8.0") 9200' - 7" 29# HCP-110 LT&C @ \$27/ft			0181-0796	\$265,300	
Casing (4.1" - 6.0") 10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft					0181-0797 \$166,600
Tubing 8270' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft					0181-0798 \$69,100
Drilling Head			0181-0860	\$35,000	
Tubing Head & Upper Section					0181-0870 \$30,000
Horizontal Completion Tools Completion Liner Hanger					0181-0871 \$50,000
Subsurface Equip. & Artificial Lift					0181-0880 \$25,000
Pumping Unit Systems					0181-0885
Service Pumps (1/4) TP/CP/Circ pump					0181-0886 \$5,000
Storage Tanks (1/4) 6 OT/5 WT/GB					0181-0890 \$75,000
Emissions Control Equipment (1/4) VRT's/VRU/Flare/KO's					0181-0892 \$90,000
Separation / Treating Equipment (1/4) H sep/V sep/HT					0181-0895 \$60,000
Automation Metering Equipment					0181-0898 \$62,500
Line Pipe & Valves - Gathering (1/2) .5 mile gas & water					0181-0900 \$30,000
Fittings / Valves & Accessories					0181-0906 \$175,000
Cathodic Protection					0181-0908 \$7,500
Electrical Installation					0181-0909 \$100,000
Equipment Installation					0181-0910 \$80,000
Pipeline Construction (1/2) .5 mile gas & water					0181-0920 \$50,000
TOTAL				\$466,600	\$1,075,700
SUBTOTAL				\$3,108,808	\$4,469,750
TOTAL WELL COST			\$7,578,558		
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.					
Prepared by: _____		T. Cude		Date: 5/3/2021	
Company Approval: _____				Date: _____	
Joint Owner Interest: 0.97647500%		Amount: \$74,002.72			
Joint Owner Name: The Josephine T. Hudson Testamentary Trust		Signature: _____			

D-4 ATTACHMENT

MEWBOURNE OIL COMPANY				
AUTHORIZATION FOR EXPENDITURE				
Well Name: SPANISH BAY 18/19 B2AP FED COM #1H		Prospect: _____		
Location: SL: 205 FNL & 1200 FEL (18); BHL: 100 FSL & 500 FEL (19)		County: Lea		ST: NM
Sec: 18	Blk: _____	Survey: _____	TWP: 19S	RNG: 33E Prop. TVD: 9950 TMD: 19850
INTANGIBLE COSTS 0180				
Description	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180-0100	\$20,000	0180-0200	
Location / Road / Site / Preparation	0180-0105	\$65,000	0180-0205	\$25,000
Location / Restoration	0180-0106	\$200,000	0180-0206	\$25,000
Daywork / Turnkey / Footage Drilling 30 days drlg / 3 days comp @ \$19500/d	0180-0110	\$624,800	0180-0210	\$62,500
Fuel 1700 gal/day @ \$3/gal	0180-0114	\$163,400	0180-0214	\$369,000
Alternate Fuels	0180-0115		0180-0215	
Mud, Chemical & Additives	0180-0120	\$70,000	0180-0220	
Mud - Specialized	0180-0121	\$110,000	0180-0221	
Horizontal Drillout Services			0180-0222	\$200,000
Stimulation Toe Preparation			0180-0223	\$30,000
Cementing	0180-0125	\$80,000	0180-0225	\$35,000
Logging & Wireline Services	0180-0130	\$2,300	0180-0230	\$290,000
Casing / Tubing / Snubbing Services	0180-0134	\$18,000	0180-0234	\$40,000
Mud Logging	0180-0137	\$35,000		
Stimulation 51 Stg 20.2 MM gal / 20.2 MM lb			0180-0241	\$1,450,000
Stimulation Rentals & Other			0180-0242	\$200,000
Water & Other	0180-0145	\$35,000	0180-0245	\$350,000
Bits	0180-0148	\$117,500	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	\$120,000		
Transportation	0180-0165	\$30,000	0180-0265	\$20,000
Welding, Construction & Maint. Services	0180-0168	\$4,000	0180-0268	\$15,000
Contract Services & Supervision	0180-0170	\$55,500	0180-0270	\$40,000
Directional Services Includes Vertical Control	0180-0175	\$434,000		
Equipment Rental	0180-0180	\$239,200	0180-0280	\$15,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$5,000	0180-0285	
Intangible Supplies	0180-0188	\$7,000	0180-0288	\$1,000
Damages	0180-0190	\$10,000	0180-0290	\$10,000
Pipeline Interconnect, ROW Easements	0180-0192		0180-0292	\$5,000
Company Supervision	0180-0195	\$225,000	0180-0295	\$70,500
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Contingencies 2% (TCP) 2% (CC)	0180-0199	\$54,954	0180-0299	\$66,550
TOTAL		\$2,802,654		\$3,394,050
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 1400' - 13 3/8" 54.5# J-55 ST&C @ \$36.5/ft	0181-0794	\$54,600		
Casing (8.1" - 10.0") 5100' - 9 5/8" 40# N-80 LT&C @ \$20.5/ft	0181-0795	\$111,700		
Casing (6.1" - 8.0") 10100' - 7" 29# HCP-110 LT&C @ \$27/ft	0181-0796	\$291,200		
Casing (4.1" - 6.0") 10760' - 4 1/2" 13.5# P-110 BPN @ \$14.5/ft			0181-0797	\$166,600
Tubing 9120' - 2 7/8" 6.5# L-80 Tbg @ \$7.82/ft			0181-0798	\$76,200
Drilling Head	0181-0860	\$35,000		
Tubing Head & Upper Section			0181-0870	\$30,000
Horizontal Completion Tools Completion Liner Hanger			0181-0871	\$50,000
Subsurface Equip. & Artificial Lift			0181-0880	\$25,000
Pumping Unit Systems			0181-0885	
Service Pumps (1/4) TP/CP/Circ pump			0181-0886	\$5,000
Storage Tanks (1/4) 6 OT/5 WT/GB			0181-0890	\$75,000
Emissions Control Equipment (1/4) VRT's/VRU/Flare/KO's			0181-0892	\$90,000
Separation / Treating Equipment (1/4) H sep/V sep/HT			0181-0895	\$60,000
Automation Metering Equipment			0181-0898	\$62,500
Line Pipe & Valves - Gathering (1/2) .5 mile gas & water			0181-0900	\$30,000
Fittings / Valves & Accessories			0181-0906	\$175,000
Cathodic Protection			0181-0908	\$7,500
Electrical Installation			0181-0909	\$100,000
Equipment Installation			0181-0910	\$80,000
Pipeline Construction (1/2) .5 mile gas & water			0181-0920	\$50,000
TOTAL		\$492,500		\$1,082,800
SUBTOTAL		\$3,295,154		\$4,476,850
TOTAL WELL COST		\$7,772,004		
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.				
Prepared by: T. Cude		Date: 5/3/2021		
Company Approval: _____		Date: _____		
Joint Owner Interest: 0.97647500% Amount: \$75,891.68		Signature: _____		
Joint Owner Name: Josephine T. Hudson Testamentary Trust		Signature: _____		